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PEACE OR WAR EAST OF BAIKAL?

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PEACE OR WAR EAST OF BAIKAL?

BY

E. J. HARRISON

WITH ILLUSTRATIONS AND MAPS

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PREFACE

THE following pages represent an attempt to elucidate the more recent phases of the Far Eastern problem as they affect, more particularly, Japan, Russia, and China. The obtrusion of the Knox proposal occurred after the task had been taken in hand, but it was possible for me to devote a separate chapter to the subject which, it is hoped, may be found useful as a record of a momentous move in Far Eastern diplomacy, the aftermath of which is likely to be of a lasting character. Seeing that the book does not pretend to be a severe political treatise and no more, I have not hesitated to digress occasionally in the chapters devoted to a personal survey of the area which I have seen fit to include within the scope of enquiry, nor do I think that such digressions are likely to detract from the value, if any, of what remains.

In political controversy some may aspire to impartiality but few achieve it, and perhaps I am no more fortunate than the majority in this respect. I have at least done my best. I trust, too, that the context will make it abundantly clear that I by no means share the belief of many publicists in the sinister and warlike preparations of Japan for an epic effort to win the hegemony of East Asia. The fact that the scaremongers in Russia are convinced that Russia

is Japan's prospective foe, and that the same gentry in America are equally certain that for Russia we must read the United States, should be sufficient to demonstrate the unstable foundation upon which all such sweeping conclusions must necessarily rest. In any event it seems unfair to censure Japan for faithfully following the example of every other first-class Power in the world to-day. If in this respect her *post-bellum* actions may impress political purists as incompatible with the higher ethics and the behests of the categorical imperative, she is at any rate sinning in good company. For the rest her statesmen have left no stone unturned to prove that their aims are essentially defensive, not offensive; nor will any unprejudiced onlooker blame Japan for declining to commit her destinies on the mainland to the efficacy of sweet reasonableness, in preference to more lethal arguments. So far, be it noted, no single Power has had the temerity to accuse Japan of failure to live up to the principle of the open-door and equal opportunity in Manchuria, and this being the case, it is unreasonable to expect the Government of the country to be for ever controverting what from its point of view can only be characterized as the conscious or unconscious misrepresentations of private individuals. As a national partisan one may do everything in one's power to retard Japanese progress on the continent, but as a cosmopolitan with no personal axe to grind, one must perforce admit that the sum-total of Japanese foreign policy is perfectly normal and, judged by international standards set by

the Powers long before Japan won a place for herself in their comity, perfectly legitimate. As an admirer of both Japan and Russia I rejoice over the *rapprochement* which has set in between the two erstwhile foes, and the evolution of a more enduring and specific compact in the near future would appeal to me as a very natural consummation in view of the identity of their interests on the mainland.

I avail myself of this opportunity to extend most sincere and hearty thanks to those who in various ways have helped me in the task of compiling this volume. For several excellent photographs of Russian statesmen I am indebted to His Excellency Senator Malewsky Malewitch, Russian Ambassador to Japan. For four admirable scenes illustrative of native life and gold-mining in East Siberia I have to thank a good friend of mine, Mr. G. B. Atkinson of the Orsk Goldfields, Limited, north of Nikolaevsk, on the Okhotsk coast, my only regret in this context being that the space at my disposal would not permit me to avail myself of numerous other highly-interesting and characteristic snap-shots from his extensive collection. I am also a heavy debtor to the management of the South Manchuria Railway Company for innumerable courtesies extended to me at various stages of my journey through South Manchuria, and it is owing to the kindness of the great Japanese corporation that I am able to include in this volume a very useful railway map of the province.

Speaking generally, I must likewise acknowledge my obligation to the vernacular and foreign Press of

Japan for much valuable information on current political problems, in the absence of which it would not have been easy for me to bring this book up to date. The same remark applies to the Russian Press of East Siberia, North Manchuria, and Russia Proper for the Russian point of view ; while for concrete data regard-East Siberia I have made frequent use of several Russian publications, and more especially Mr. V. Panoff's *Istoricheskaya Oshibka* ("An Historical Mistake") and Mr. Golovacheff's recent scholarly work entitled *Sibir*: *Priroda, Lyudi, Zhizn* ("Siberia: Nature, People, and Life.")

I have finally to thank Mr. H. G. Ball of *The Japan Herald*, Yokohama, for his kind assistance in reading the proofs.

June 10, 1910.

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THE LATE PRINCE HIROBUMI ITO,
Japan's Greatest Statesman, Assassinated by a Korean Fanatic
at Harbin, October 26th, 1909.

CHAPTER I

INTRODUCTORY

The Scope of the Far Eastern Question—The Issue for Russia, China, and Japan—Interests of the Powers Concentrated on the Mainland—Russia's Position in the Far East—Her Ability to Retain Possession of What She already Holds—Fears of Russian Publicists—The Might is Right School of Thought in Japan—The Cult of Japanese Dominion—Dissatisfaction with Result of Russo-Japanese War—Japan's Need of Money to Prosecute another War—Belief that Russia is the Object of Warlike Preparations—Lines of Communication have Vladivostok and the Primorsk as Their Objective—Sino-Japanese Relations—The Japanese Policy of Pin-pricks—Chinese Fears of Japan as Accentuated by the Latest Agreement—Factors Invalidating Suspicion of Japan—The National Financial Burdens—No Likelihood of Breach of the Peace for At Least Ten Years.

For purposes of practical politics, the Far Eastern question to-day may without exaggeration be said to embrace an area extending from the eastern shores of Lake Baikal to the coast of the Maritime Province, or Primorsk, due east, south-west as far as Canton, and south-east as far as Fusan. Inasmuch as the problem affects Japan and China, the majority of the issues which have so far arisen or which are likely to arise in the near future have been, are, and bid fair still to be, connected with the fateful province of Manchuria, the scene of three bloody wars within a decade, and destined, as many firmly believe, to witness at least another desperate struggle between West and East for

the hegemony of a large part of the earth's surface before the last word of history shall have been written. For Russia, China, and Japan the issue, as the majority of Russians in East Siberia are convinced, involves the title-deeds of the Trans-Baikal (Zabaikalye), the Amur Province (Priamurye), and the Maritime Province (Primorsk), not to mention Russia's conditional occupancy of North Manchuria, which well-informed Russian publicists are also satisfied to think is limited by the goodwill or hostility of the Japanese conqueror. It is only in a very secondary degree indeed that the interests of the Powers can be said to impinge upon the boundaries of Japan Proper, and it is only, therefore, in so far as Japanese domestic questions and domestic conditions affect Japan's potentialities for good or evil, (as the West understands the meaning of those words), *vis-à-vis* Korea, China, and East Siberia, that I propose to deal with them in the following pages. For Japan, China, and the rest of the world the Far Eastern question directly or indirectly embraces Korea, China, the Philippines, and East Siberia. Russia is interested in the Korean problem to the extent that Japanese policy in that peninsula in its concrete results strengthens Japan's influence over the Kirin Province, in general, and her strategical position as against Vladivostok and the Primorsk, in particular.

The question uppermost in the minds of East Siberian publicists at the present time would therefore seem to be the ability of Russia to retain possession of her vast Asiatic heritage. It is difficult to define in

so many words the historical, political, and racial factors which, in the opinion of the pessimistic, are now steadily operating to bring about still further and more sweeping reductions of Russian power in the Far East, but it is not difficult to guess the direction from which this danger is anticipated. The alarmists fall into several groups. We have one whose members appear to be convinced that at no distant date a thoroughly awakened China will be quite strong enough to wrest from the claws of the Russian eagle a prize which originally belonged to China. There is another which is persuaded that Japan is the real menace and not China, and that, within a life-time, and it may even be before the Amur Railway is completed, the Primorsk, or Maritime Province, will be invaded by a vast Japanese army and assailed from the water by an equally invincible Japanese fleet. Yet a third group holds that the capture of the Primorsk, the Priamurye, and the Trans-Baikal, or Zabaikalye, will be effected by the combined Japanese and Chinese legions, and these political theorists ascribe to China and Japan a secret understanding looking to this sensational culmination. Be this as it may, either in a greater or lesser degree, the majority of East Siberians have become so convinced of their hopeless weakness by the lessons of the late war, that they cannot believe Japan will rest satisfied with a half-won victory. After all, the only bona fide Russian territory which Japan acquired as the result of this terrible struggle is Saghalien, which formerly belonged to Japan. What, then, more

natural than that a nation which, put to the supreme test of battle, has proved itself to be one of the strongest military Powers of modern times, being well aware, moreover, that the strength of the Muscovite tenure of East Siberia has a scarcely more solid foundation than the former Muscovite tenure of South Manchuria, should be secretly resolved to make a bid, sooner or later, for the absolute hegemony of the Far East, either single-handed, as before, or with China as an ally?

The recent tendency of philosophic teaching in Japan, it is contended, (*vide* Professor Kato) is that might is the only source of right, and that strength is essential to extort respect from others. The conception of Pan-Asiaticism, the teachings of the *Tenrikyo* sect concerning the predominance of the Land of the Rising Sun in the near future, over the entire world, have deeply penetrated into Japanese society, in conjunction with reverence for the Emperor, which emanates from the well-springs of the national cult of Shintoism. Contempt for death and the principle of self-sacrifice for the welfare of the country, the legacy of the Samurai, are all closely related to the "might is right" doctrine. Finally, it is urged, we have the distinctive features of the Japanese—their imitativeness under the influence of victorious wars and external diplomatic successes, which have developed into rivalry with the white race. These factors are the dynamic forces which will move the masses to promote the official policy of aggression for the extension of the Empire. The army, as the best part of the nation, is

believed in Russia to share the sentiment that Japan achieved no tangible results from the war at all commensurate with the force expended and the sacrifices made. The simplest remedy, in its opinion, is the seizure of new territory! The Japanese Government, declare these critics, takes advantage of the influence of the military party which is committed to the extreme development of this aggressive policy. Declarations to the effect that Japan's three modern wars have all been purely defensive in character and that the expansion of the army and navy is but the normal regulation of these two arms of the service are dismissed as worthless and hypocritical. For the defence of the Empire, it is contended, the strengthening of the fleet would be quite sufficient. Unless the country harboured sinister designs, there would be no sound reason, at a time of acute economic and financial depression, for these heavy expenditures on the re-arming of the field artillery with Krupp quick-firers, the formation of horse artillery, and the increase of the cavalry.

But in order to conduct a successful war, the country must have money, and Japan seeks it in America and England. Even Japan, these Russian publicists admit, would scarcely try to borrow from America, if she contemplated war with that country, and a naval war with England is out of the question! For the conquest of the Philippines and Hawaii, a powerful fleet is all that would be necessary. For a war with America, Japan would require a great deal of money, but England would in no circumstances

lend to her for such a purpose, in view of Japan's present enormous indebtedness. The remarkable charge has even been made in Russian papers that English financiers do not trust the Japanese because not long ago abuses were exposed in the drafting of the trade returns by Japanese Ministers. The alleged instance is even cited of entries being made under exports when the latter really consisted of contraband of war, imported from abroad, and then sent to the theatre of war. As a side issue these reasoners admit that the interests of America and Japan will probably clash in the Pacific, but until the Panama Canal is finished, Japan has the advantage of being able to strengthen her fleet. As for France and China, the former only recently entered into a convention with Japan (so, for that matter, did Russia) while had Japan any serious intention of waging war against China, she would not send military instructors to that country or admit Chinese students into her military and naval schools. Thus the process of elimination brings us to Russia as the true object of Japanese warlike preparations. The trouble with America is but a "bluff" to mask the direction of the true blow. Japan, it is pointed out, is converting Port Lazaref, on the east coast of Korea, into a fully-equipped military and naval base, with docking facilities; while Chhyongjin, though a free port, will serve as a new base against Vladivostok, besides in the interim diverting trade from the latter. On the coast road to Vladivostok she is building large supply dépôts at the town of Hamheung, and the Japanese settlers in Korea and

COUNT STOLYPIN, RUSSIAN PREMIER.

Manchuria consist almost exclusively of reserves. Thus the swift transport of troops to the Russian borders is amply guaranteed, thanks, besides free ocean passage, to rapidly growing lines of railway communication, such as the Port Arthur-Mukden-Harbin route, the Fusan-Seoul-Antung-Mukden and Yingkow-Hsimmintun-Mukden lines, and the projected Changchun-Hoiryong Railway, by means of which Japan will be able to cut off Vladivostok at any given moment. Japan is further accused of conducting a religious propaganda in Mongolia and of sending thither Japanese instructors and arms. She is opening schools for the Japanese language in Manchuria and promoting closer relations with the Mongolian princes, one of whom was recently in Japan. Economically she is gradually seizing the entire Okhotsk coast. The optimist may ask: To what end is Japan prepared to penetrate into the Siberian swamps, and why should she exhaust her valuable energies on the seizure of Kamchatka and the other half of Saghalien? The answer is that under her very hand in the Priamurye lie thirty thousand square versts of registered gold fields with a possible yield of one hundred and sixty million pounds weight of gold, while in the Trans-Baikal are fifty million *desyatin* of arable land. Surely these are prizes worth striving for?

The cloven hoof was detected in Japan's attitude on the Kanto, or Chientao question, and although she was forced to give way before the overwhelming weight of evidence on the side of China, the Russians have been quick to see that in this controversy Japan did but

surrender the shadow for the substance, and that, with China under obligation to extend the Kirin-Changchun line to the southern boundary of Yenchi to connect with a Korean line at Hoiryong, she may hope to gain her ultimate objective—Vladivostok and the Primorsk—without quarreling with China.

I may remark in this context that the Japanese have not infrequently been accused of national conceit and egotism. It is only fair to say, however, that it would be quite impossible for them to entertain a more exalted opinion of their own prowess in every field of human activity than is apparently entertained by Russian organs, more especially with regard to the concrete results of Japanese diplomacy in South Manchuria. Both the Japanese and Slavonic minds love extremes. A striking instance of this Slavonic tendency is seen in the contrast between Russian depreciation of Japanese strength before the war and the present readiness and even eagerness to invest every move of Japan in Manchuria and Korea with profound and ominous significance. In every case, of course, Russia is to be the *corpus vile* of these Japanese political experiments. It is impossible to open a Russian newspaper nowadays without coming across some bitter and sarcastic comparison between Russian ineptitude and Japanese efficiency in the sphere of Far Eastern competition. On the Japanese side, the nervous tension is out of all proportion milder, as I have had occasion to satisfy myself not alone by long residence in Japan itself, but also by personal observation in Korea, South and North Manchuria, and Siberia.

Indifferent to hostile criticism, or ostensibly so, the representatives of Greater Japan are doing their work, as they understand it, unostentatiously and efficiently. Whatever Japan's true aim may be in Korea and Manchuria, one thing it so plain that he who runs may read, and that is her fixed determination to make herself so strong on the mainland that no other force or combination of forces will be able to drive her out. Not that Japanese diplomacy has always been of that masterly kind usually associated in the popular mind with everything Japanese. On the contrary, it has often puzzled foreigners in the Far East to understand what profitable purpose Japan could hope to serve by the constant exercise of a perfect genius for discovering fresh nerve centres in the Chinese body politic against which to direct her pinpricks. Save on the wildly improbable assumption that the long series of issues between the two countries has been but what Falstaff would call a "colour," it taxes one's powers of credulity to the limit to believe that beneath the diplomatic surface there lies some deep hidden design for the expulsion of the white man from the mainland, from Fusan to Lake Baikal, and that this gigantic upheaval will be merely the prelude to a new Mongol invasion of the West. And yet the latter idea is seriously entertained by not a few neurasthenic Occidentals. It might, indeed, be possible to find individual Japanese who share this belief in the future of the Japanese race, and during the war some publicists did not hesitate to avow openly their conviction that the Japanese arms would be able to win a way

not only to Lake Baikal, but even as far as the Russian capital! * But to make the inference general from one or two isolated particulars would be symptomatic of something more hopeless than bad logic. There are "cranks" in both hemispheres, but they ought not to be accepted at their own valuation. If Japan were so uncharitable as to measure the intelligence of Americans by the mouthings of their Hobsons and Anti-Japanese and Korean Leagues, her statesmen and politicians would indeed be justified in agitating for even bigger appropriations for armaments.

The common sense view of the case is that Japanese diplomatists belong to the same order of human beings as the rest of us, and that towards China they have been in the past, are now, and may again be capable of pursuing a short-sighted policy not at all favourable to their own best interests. The attitude of Japan on the *Tatsu-Maru* affair, the Chientao question, the

* Professor Dmitri Pozdneeff, the prominent Russian sinologue and japanologue, in his recent work entitled "Materials concerning the History of Northern Japan and Its Relations with the Continent of Asia and Russia," has shown by citation from original Japanese archives, that the idea of waging an aggressive war against Russia germinated fully a hundred years ago. This statement is corroborated by the words of Matsudaira Sadanobu, then prime minister, in a secret memorandum which he drafted after the celebrated expedition of the Russian naval officers, Khvostoff and Davidoff, against Saghalien and the Kuriles. In this memorandum the following expression occurs:—"If there should be contemplated the issuing of orders to carry out an attack on the Empire of Russia, it would be possible to arrange such an unexpected descent upon her dependencies, including Kamchatka, with a small number of soldiers carried in one or two vessels. However, if instructions should be issued to proceed to the harbour of the capital of Russia and capture it, it would scarcely be possible to carry these out with one or two ships (!). In any event, for this purpose it would unquestionably be indispensable to prepare men and ships. Although this would be useless, if none the less one or two vessels should be despatched to the Russian capital and its harbour, it would be necessary to select persons who had resigned themselves to certain death, without which it would be impossible to go there." Another old-fashioned scholar of that day gravely proposed to the Shogun's Government that, for the purpose of capturing the eastern possessions of the Russian barbarians, Japan should merely make use of her criminals and outcasts, who would be amply sufficient to ensure success!

Pratas Island question, the Antung-Mukden Railway and Hsinmintun-Fakumen Railway question was not at all wisely inspired if Japan really does contemplate union with China for pursuance of some vast end which will bring back the days of Tamerlane, Alexander, or Napoleon.

It may be argued that Japan understands the Chinese character far better than the Westerner, and that she knows that at Peking sweet reason is not the most potent open sesame. And yet she found it necessary to " back down " in the long run on both the Chientao and Pratas Island questions, even admitting that she secured a fairly substantial *quid pro quo* for her pliability in connection with the former. Had her advisers been gifted with the wonderful prevision so frequently ascribed to them in some quarters, they would never have raised an unsound issue in the first place, or, more correctly, an issue which they were not prepared to carry through at the sword's point, if necessary. The Antung-Mukden and Hsinmintun-Fakumen Railway questions, viewed from the Japanese standpoint, may be said to have belonged to the latter category, and, as regards the first-named, it is a matter of history now that Japan did not stand on ceremony, but took " free action " when other measures had proved abortive. That this action was in no wise warranted by the terms of the very Peking Convention which her supporters have been wont to refer to as her charter, I shall try to show more in detail elsewhere, but for the purposes of the present argument the statement in itself is sufficient. What the Chi-

nese themselves think of Japanese proceedings is also palpable enough, unless here again we are invited to suppose that the same deep game of deception is being played to lull the Occident into false security until both Powers are ready to show their teeth. It is on record that the latest Manchurian Convention came as a terrible blow to Young China. To quote the language of the Manchurian Viceroy in his telegram to Na-tung :—"The Japanese have thus succeeded in segregating into their grasp a network of lines from Port Arthur to Mukden, Changchun, Kirin, and Hoiryong. They will begin to construct branches and junctions, and in connection therewith colonies of Japanese will be established in Kirin Province, and the development of their trade and industry will ensue." One of the leading vernacular papers of Peking, in a recent article devoted to a survey of the present situation, also writes :—"At the present moment there is literally not a spot in South Manchuria where there is not a Japanese hotel, or Japanese trade, or a Japanese house of ill-fame! Sellers of drugs, mining engineers, foresters, fishermen, topographers, and others engaged in a variety of callings have fairly inundated Manchuria." Summing up the many concessions, economic and political, which have been extorted from China by Japan, the same paper continues :—"All this clearly indicates that for Japan the swallowing-up of independent Korea is a small affair: she now wishes to bring China to destruction. We deem it our duty to point out this effort on the part of Japan to all our

countrymen, that they may understand in what direction relations between China and Japan are tending." This phase of Chinese public opinion is all the more notable when viewed in the light of the Russian belief already referred to, viz., that Japan and China are preparing to invade the Primorsk and the Priamurye and to expel the Russians from North Manchuria. Persons disposed to take this view contrive to ignore the existence of alliances, treaties, conventions, and *ententes*, which would have to be denounced before any such aggressive combination of forces would be possible. At the same time it must be admitted that amicable international relations are not helped by this persistent conviction, which has created an anomalous situation wherein incidents unimportant in themselves are magnified into a sort of second handwriting on the wall. It is not easy for anybody who knows the Japanese and Russians at first hand to imagine that the Chinese as a whole would ever find it to their advantage to help the former to drive out the latter. They would be substituting a King Stork for a King Log with a vengeance, as experience in South Manchuria should have taught them ere this.

That Japan is rapidly strengthening her hold on both Korea and South Manchuria, Japan herself makes no effort to conceal; her railway policy alone furnishes ample proof of this fact. Neverthless, having regard for the country's financial straits, which would but be intensified by the most successful resumption of hostilities with Russia, not to speak of the isolation to which she would be relegated by such an act of gra-

tuitous expropriation—to use a Russian euphemism—I cannot share the Russian belief that these preparations for war in Korea and Manchuria necessarily imply a resolve to force a conflict upon Russia on some entirely frivolous pretext. Japan, on her side, has an equal right to assert that the construction of the Amur Railway is but preliminary to a war of revenge on the part of Russia against Japan. This view of the situation is not dictated by any inherent reliance upon the letter or spirit of Japanese professions, but rather upon knowledge—accessible to everybody—of Japan's financial position as the result of the previous struggle. Japan's national debt has increased from Yen 561,569,751 in 1904 to Yen 2,606,282,321 at the present day, and the State expenditures during the last ten years have trebled. Already in proportion to average income the Japanese are the most heavily taxed people in the world, the ratio per cent. being about 21 as against only 3.2 in the United States and 8.9 in England. The Japanese as a people may be the most patriotic in the world, but they are not wholly devoid of reason, and they are quite able to grasp the distinction between a war which, if it was hardly the struggle for self-preservation its supporters pretended, had at least a certain basis of justification, as wars are usually justified, and a war which, in the world's estimation, would be entirely unprovoked. In other words, in the previous war Japan was enormously assisted by the sympathy of the West, while Russia's defeat was more or less popular. The rôles would be reversed should Japan again attack Russia, and the

M. IZVOLSKY,
Russian Minister for Foreign Affairs.

oligarchy* which rules Japan is well aware of this danger. Accidents may always happen to upset the most careful calculations; otherwise, unless the destinies of the nation should be unexpectedly committed to the charge of the younger and more Chauvinistic class of cheap politicians, who are for ever trying to shake off the grip of the *Genro*, or Elder Statesmen, a breach of the peace is not likely to be seen in the Far East for a decade at least.

I say a decade to be on the safe side, for even Japanese believers in their country's warlike mission are conservative to this extent. For example, some time ago Professor Kanamori, a well-known economist, in the course of an address delivered at the Matsumoto High School, said :—" History tells us that Japan has had and will have (*sic*) a war every tenth year. Every Japanese must therefore be prepared for another big war in the no distant future and perhaps with a still mightier foe than she encountered last. And the most important preparation is a war fund. Where can this fund come from? One sen each day from each Japanese will before ten years amount to more than Yen 2,000,000,000, the sum which Japan paid for the late

* I use the word " oligarchy " here in a symbolical rather than a literal sense. While Japan possesses institutions known as a Parliament and a Constitution, the actual policy of the State has hitherto been guided by the Veteran Statesmen, or *Genro*, comprising Prince Yamagata, Marquis Matsukata, Marquis Inouye, and Prince Oyama. The late Prince Ito during his life-time shared with Prince Yamagata the distinction of being the most influential member of this distinguished body. To-day it cannot be doubted that Prince Yamagata, who is also a Field Marshal, a Choshu clansman, and the idol of the army, wields more individual power and influence than any other subject of the Emperor. Whereas Field-Marshal Prince Oyama's activity is virtually confined to the military sphere, that of Prince Yamagata is both military and political, while Marquis Katsura, the present Premier and unquestionably one of Japan's strongest statesmen, is the Prince's sworn lieutenant and probable successor as a power behind the Throne.

war. Hence arises the necessity of saving! If every Japanese is fully determined in this wise—and no superior will is required for the purpose—Japan may confidently enter into foreign warfare, and the sad history of Portsmouth will never repeat itself." These are certainly remarkable sentiments to be entertained and, what is worse, expressed by a professor of the stern science of political economy, but we must refuse to believe that even in Japan the doctrine can be systematically taught to the young that thrift must be exercised in order to furnish a paternal Government with the sinews of war. The Imperial Rescript on thrift assuredly did not inculcate this ground for saving. As I have said elsewhere, the mass of a sober, prosaic, loyal and industrious people cannot rightly be held responsible for the aberrations of the abnormal minority.

At a time when the chronicler of contemporaneous events is constantly exposed to the charge of being either "pro" or "anti-Japanese," it is just as well that I should here state clearly that I am not trying to gain converts to this, that, or the other view; the object of the succeeding chapters is simply to "lead" all the evidence I have been able to gather in the case, and although I may indulge in passing comment, I propose to leave the reader to formulate his own verdict in accordance with his understanding of the testimony.

CHAPTER II

THE TAKING OF EAST SIBERIA.

The Story as Told by Mr. V. Panoff, a Noted Siberian Publicist—His Peculiar Qualifications for the Task—The Eastern Movement not National, as frequently Contended—"Conquest" of All Siberia Accomplished in Seventy Years—The Russian Defeat by the Chinese at Albazin—Russia Thrown Back on the Trans-Baikal—Russia not a Conqueror—Siberian Tribes Incapable of Serious Resistance—Personal Gain at the Root of Cossack Forays—Siberia Destitute of Proper Administration during Three Hundred Years—Lacking True National Inspiration the Movement Has Remained Impotent until This Day—A Colossus with Feet of Clay—Chinese Supineness Explained—The Nerchinsk Treaty—Russia's Recovery of the Amur—Treaties of Aigun and Peking—The Work of Muravieff—Revival of Belief in Russia's Eastern Mission—Early Contempt for Japan—The Construction of the Trans-Siberian Railway—Small Economic Foundation for this Enterprise—The Building of the Manchurian Trunk Line and Its Disastrous Consequences—The Occupation of Dalny and Port Arthur.

In the following pages I have availed myself largely of the valuable material presented to Russian readers by the well-known orientalist and publicist, Mr. V. Panoff, proprietor of the Vladivostok daily paper, *Dalny Vostok* ("Far East"), one of the oldest and most ably edited publications of the kind in East Siberia. Mr. Panoff issued this historical retrospect in the form of a pamphlet, entitled "An Historical Mistake" (*Istoricheskaya Oshibka*), and it is not too much to say that the facts and deductions with which he deals have made a deep impression upon the intelligent Russian public of Siberia and the Far East generally. Mr. Panoff has earned a peculiar title to speak with the voice of authority on these subjects in that at the

time of the occupation of Port Arthur and Dalny he foretold with almost uncanny particularity and accuracy what would be the result. Now, therefore, when he paints the present position of Russia in the Far East in pessimistic colours and addresses an open letter to M. Kokovtsoff, the Minister of Finance, under the ominous heading, "*Ave Cæsar, morituri te salutant!*" it is impossible to refuse him a respectful hearing, or to deny his exceptional qualifications for the rôle of prophet, even though one may see fit to differ from him in all or part of his conclusions.

The recent Stoessel trial, the bitter polemic between two ex-Ministers, Count Witte and General Kuropatkin, and Far Eastern developments still fresher in the public memory, such as the tour of the Russian Finance Minister already alluded to, with its tragic culmination on the platform at Harbin, when the greatest statesman of Japan fell a victim to the purblind hatred of a Korean assassin on the very eve of an important conference with the Russian envoy, have all helped to revive interest in the trend of Russo-Chino-Japanese relations. The Russian policy of "adventure" in North and South Manchuria has usually been held responsible for the war between Japan and Russia, and the fact is obvious, quite apart from the merits of the issues in dispute. But the history of the "conquest" of East Siberia unmistakably proves that in its initial stages, the absorption of an area of one million four hundred thousand square versts was in the true sense of the term no more an instinctive inevitable movement for national expansion—save in

COUNT WITTE, RUSSIA'S CHIEF PLENIPOTENTIARY AT THE PORTSMOUTH PEACE CONFERENCE.

the deeper philosophic sense that all human action is inevitable—than Russian encroachments in Manchuria, with all their ruinous consequences. Such, at least, in brief, is the view which Mr. Panoff takes of a momentous chapter of his nation's history. "Who," he asks, "has not heard of the historic, poetical gravitation of Russia towards the East? This striving is invested with the significance of an inherent behest which permeates the soul of the Russian people. The entire history of the latter's evolution would seem consciously to dictate this task for fulfilment, as something predestined from on high. But in this understanding of historical facts is contained a vulgar error." What, then, is a proper understanding of these facts? An attempt is made to answer this question, in the present and succeeding chapters.

In the history of the Russian Empire, as in that of all other nations, we see a common tendency to expand in a purely mechanical way—along the line of least resistance. Within the bounds of the European continent the expansion of the Russian Empire has proceeded indifferently on all sides, to the north, south, east, and west, in obedience to this very law of historical mechanism. From the times of Yermak, who crossed the Urals, Russia in the course of some seventy years reached the shores of Kamchatka and the Okhotsk Sea, where she has succeeded in holding undisputed sway until the present day. Simultaneously with this movement, in the middle of the seventeenth century, she penetrated as far as the Amur, in the person of the pioneer Khabaroff, but

the collision with China, which ended in the loss of Albazin under the terms of the Nerchinsk Treaty of 1689, threw her back on the Trans-Baikal, and it was only one hundred and seventy years later, in the days of Count Muravieff*-Amursky (1858-60), that she again succeeded in confirming her possession of the Priamur region, with Vladivostok included.

This retrograde movement from the Amur to the Trans-Baikal, at the moment of the conclusion of the Nerchinsk Treaty, ought, in Mr. Panoff's opinion, to have been accepted as a warning, but unfortunately it failed to take effect.

To assert that in spite of this forcible movement across Siberia, Russia was not a conqueror, may at first sight seem paradoxical, but Mr. Panoff makes a very powerful effort to prove that this view of the case is correct. The occupation of Siberia, from the Urals to Kamchatka, by insignificant bands of daring adventurers of tens and hundreds, took but seventy years, while the efforts and sacrifices involved in the undertaking were immeasurably fewer than in the conquest of Kazan and the Tartars of the Crimea and the Caucasus. Khabaroff's force on the Amur did not exceed eight hundred men, and after him it became still less. Both time and numbers testify clearly to the fact that the resistance on the part of Siberia must have been unworthy of mention. As a matter of fact the small and scattered aboriginal tribes along the entire route of the Russian invaders were at no point

*Pronounced "Mouravyoff."

capable of serious opposition. It is equally important to note that the action of these Siberian pioneers was wholly voluntary and in no sense dictated by orders from the central Government. Later on, it was continued under the pretext of searching for "free lands," but personal gain was actually at the root of the movement from first to last, the Empire occupying quite a secondary place in the calculations of these adventurers, although the Government had no objection to recognizing an accomplished fact, and assumed nominal control over the lands thus subjugated. In truth, however, for three hundred years Siberia remained destitute of proper administration, means of communication, colonization, education, and real citizenship. As late as the reign of Alexander III. there was an almost complete absence of imperial co-operation in the task of occupying and strengthening Siberia. Thus, from the above standpoint, the original incursions of Russians into Siberia may not unjustly be characterized as chance predatory forays carried out by roving bands of freebooters, without the smallest ulterior thought of national obligations, of the morrow, or of the day before. The ostensible outward success of this enterprise was due not to a species of epic pressure or all-powerful national momentum, but simply to the absence of resistance from the other side, which—*vide* Mr. Panoff—also serves to explain in the most prosaic fashion, without any kind of historical problem or internal prompting by the soul of a people, the celebrated Russian movement towards the East. Siberia was won for the Empire without a

struggle, as the patrimony of daring freebooters who left European Russia in search of wealth at the other end of the continent of Asia, at a time when the Empire was still in an embryonic stage of formation within its primary boundaries on the European side of the Urals. Such, declares Mr. Panoff, is the fundamental fact of the history of the Russian Siberian movement, which explains why, on the one hand, the movement itself, superficially regarded, has given birth to the inspiring idea of invincibility, while, on the other, by virtue of its real nature, it has remained entirely impotent. With ruthless and brutal frankness, Mr. Panoff avows the belief that if during three hundred years Russia has been able to retain possession of this vast region, the sole explanation must be sought in the absence of serious opposition either from within or without. In the end the national imagination has allowed itself to be hypnotized into the opinion that Russia has a special rôle to dominate Eastern Asia. "Meanwhile," says Mr. Panoff, "this very rôle, in its true inwardness, bore the clear and indisputable signs of a naked adventure only, of precisely the same kind as was the adventure of the Spaniards in America, which prize they have now lost. The possession of Siberia from its inception was without solid foundation, and represented a colossus with feet of clay. The first warning to this colossus was given in the now forgotten treaty of Nerchinsk in 1689."

The Russian movement in East Siberia, from Lake Baikal, originally proceeded further north than the

Stanovoi range of mountains in the Yakutsk Province, towards the shores of the Sea of Okhotsk and Kamchatka. In the Trans-Baikal it was checked for a considerable interval by the resistance of the Bouryats, which fact helps to explain how it came about that the Russian adventurers, under the leadership of Khabaroff, appeared on the Amur only in 1650 and then across the mountain barrier from the direction of Yakutsk and not from the Trans-Baikal.

The Russian movement was destined to come into conflict with the Chinese at the outset only on the Amur. The regions in which Yermak had operated had always been remote from the actual supervision of China. Although the Russian movement towards the Trans-Baikal began to encroach upon the Chinese sphere of influence, it was still removed from direct contact, albeit these districts figure in Chinese history from times anterior to the foregoing. The advent of the Russians in the Trans-Baikal coincides with the final decades of the reign of the Ming dynasty, when the latter already stood on the brink of ruin as the result of civil war and conflict with the Manchus, who were then organized into an independent political unit. The southern neighbours of the Bouryats, the Mongols, not long before masters of all North and South China, Mongolia, and Manchuria, conquerors of half the world, Russia inclusive, had finally been driven out of China in the first half of the fifteenth century by the Ming dynasty, and having been reduced by the latter to helplessness in Central Asia, until their recognition of Chinese supremacy, were at that

time defending themselves against the Manchu conquerors, and in the long run were defeated. Thus it came about that only the Bouryats could offer direct resistance to the Russians in the Trans-Baikal. When Khabaroff with his followers appeared on the Amur in 1650, the Manchus, having established their authority over the Mongols, had only just ascended the Chinese throne (1642). They had seized Peking and laid the foundation of the dynasty which to-day rules China. They alone could have offered serious and decisive opposition to Khabaroff, but they were then engaged in conquering the parent provinces of China, and had summoned thither the whole of their military forces, whereas the Amur, although settled by kindred tribes, was but sparsely populated and scarcely likely to divert them from the direction of their main object. Moreover, the Russians, who were then absolute masters on the Amur, for a long time did not encroach upon the Sungari, and thus, properly speaking, had not touched Manchurian soil. It was only after twenty years, when the Manchus had strengthened their hold on China and when complaints on the score of Russian violence and robbery were raised incessantly, that they marched against the Russians. The main Russian detachment at the mouth of the Sungari was wiped out, and the others were compelled to evacuate the Amur entirely, the present towns of Aigun and Tsitsihar being then founded to protect the river from further incursions of a like nature. Somewhat later the Russians twice returned to Albazin, but on both occasions were driven off by

the Chinese army. At last negotiations between Russia and China on the Amur, question culminated in the Nerchinsk Treaty, which categorically deprived Russia of all access to the Amur, and pushed her back westward to the Trans-Baikal and northward beyond the Stanovoi range into the Yakutsk Province. The Amur from that time became *de facto* solely a Chinese river. It is noteworthy that the Nerchinsk Treaty was signed by the Russian representative, Golovin, in the Trans-Baikal, where with his entire force of 1,500 men he was surrounded by a regular Chinese army of 15,000 men, supported by fairly strong artillery. The sole explanation of Russia's ability to retain even the Trans-Baikal in these circumstances is that, on the one hand, the Chinese commander had probably been bribed, and that, on the other, the Chinese Government undoubtedly had no wish to become involved in a foreign war when it had just managed to crush the sanguinary rising of its own General, U-San-lua, promoted with the object of expelling the Manchus from Peking. In any case, the set-back suffered by Russia at that date furnished strong evidence in favour of the argument that the so-called conquest of Siberia was a pure adventure based on chance and incapable of successful resistance when confronted by the forces of a properly-organized State, as China had every right to be considered. The disaster might well have been infinitely more overwhelming, for if, in the absence of a proper base in the Trans-Baikal, Russia could not hope to hold the Amur, then assuredly under similar conditions

further west than Baikal the retention of the Trans-Baikal in the face of organized attack from a hostile Power would have been an impossible undertaking.

An interval of a hundred and sixty years exactly has elapsed. Nevelsky in the transport *Baikal* discovered in the Amur estuary a navigable channel to the river from the Japan Sea. The Crimean War broke out, and the military port was transferred from Petropavlovsk to Nikolaevsk, which had already been founded on the banks of the lower reaches of the Amur. The garrison and supplies had previously been carried there on rafts by the river, and the incident had been ignored by the Chinese Government of that day, which apparently had no wish to provoke a quarrel with Russia. As on the previous occasion, it had its hands full with the Taiping rebellion, which was followed some time after by the Anglo-French occupation of Tientsin and Peking, via Taku. The ultimate outcome was that an enterprise initiated at the personal risk of Nevelsky and Muravieff was peacefully consummated by the occupation of the entire Priamurye, confirmed by the treaties of Aigun (1858) and Peking (1860). The Amur thus fell into Russian hands as a free gift, and in this way, what Mr. Panoff calls Russia's second adventure took place, but, unlike the former, it was crowned with complete success. In the course of ten years the towns of Nikolaevsk, Blagoveshchensk, Khabarovsk, and Vladivostok sprang into being, while on the Chinese side of the Amur only Aigun remained. The river was under the sole control of the Russians. The bloodless

COUNT MURAVIEFF AMURSKY, THE FAMOUS PIONEER STATESMAN OF EAST SIBERIA.

occupation of the Amur under Muravieff and the subsequent pacific acquisition of the country served to obliterate from Russian recollection the Albazin incident, and finally confirmed the belief of the ruling classes in Russia's predestined mission in the Far East. The conviction of Russian overlordship in Asia gradually strengthened. As for China, she seemed to foreigners to be a moribund political organism, while Japan, only just thrown open to European intercourse, was looked upon as a land of pretty geisha, chrysanthemums, and lacquered gewgaws, with toy-like, clean, diminutive, polite, and comical Japanese who carried their penchant for imitation to such an extent that, in making a pair of foreign trousers, they were even capable of reproducing the holes, stains, and tears which might chance to exist in the original! Acting on this conception of the utter nullity in a political sense of Japan, Admiral Likhacheff in 1861 calmly occupied a port on Tsushima Island, on his own initiative, but was compelled to remove the Russian flag on the demand of an English admiral. In naval circles the point was eagerly discussed as to whether it would be best to establish the new Russian naval base on Tsushima, Quelpart, or at Gensan. The Russian commander of a battalion at Novokievsk was responsible for the opening of a Russian settlement—Savelovok,—in Chinese territory, occupation of which was subsequently cited as a ground for new encroachments. A Russian fleet under Admiral Lesovsky assembled in Nagasaki harbour in readiness to bring pressure to

bear upon China at the time of the conclusion of the Peking Treaty, and when the question of the construction of the Trans-Siberian Railway first arose, Admiral Kopwitoff took a map and a ruler and drew a line from China through Mongolia and Manchuria to Port Arthur. At the time of the Boxer outbreak the first act of ex-Governor-General Grodekoff was to raise the Russian flag on the Chinese side of the Amur, and to re-name the points occupied as Russian settlements.

Upon what substantial substratum of power were these and similar pretensions based? It may be admitted that during fifty years the standard of living in the Priamurye had been sensibly raised, but if a keg of gunpowder for Nikolaevsk spent nine months on the road, as Zavalishin asserts, in the days of Muravieff, then even in the eighties the journey across Siberia took four months for officials, though the mails were supposed to do the journey in from two to two and a half months, save during the wet season when they took fully four months. The Volunteer Fleet had only just been established, and supplies for the commissariat department were conveyed in sailing ships almost round the world to reach their destination. The Priamur and Trans-Baikal together had virtually no value whatever as a military base. From Vladivostok to Irkutsk and Petropavlovsk the population was less than a million, a good half of which belonged to the Trans-Baikal. It may therefore fairly be said that the region was protected not by its inherent strength, but simply by the peaceful relations which Russia enjoyed with her neighbours in the Far

THE LATE PRINCE KHILKOFF, RUSSIAN MINISTER OF COMMUNICATIONS DURING RUSSO-JAPANESE WAR.

East, as also by her military prestige in the West. But in view of the enormous distance which separates the Priamur from European Russia, coupled with the physical helplessness of the country, it was at that time even more absurd than now to speak of it as a *point d'appui* for the decision of world problems; in the nature of things it could but serve as a happy hunting ground for adventurers of every description, more especially in the political sphere.

In 1891 the construction of the Trans-Siberian Railway began, and in 1896 this line, passing through North Manchuria, was linked up with the Ussuri Railway so as to form a connected road right from Vladivostok to St. Petersburg. It was certainly a big leap from a miserable little line of some two hundred versts, from Vladivostok to Ussuri, to this prodigious trunk railway which united the Sea of Japan with the Baltic. Economically this vast enterprise had little if any solid foundation. Eastward from Tomsk to Vladivostok the line passed through a region the resources of which were entirely potential, and the benefits conferred by the railway were limited to a narrow strip of land on either side of the track, owing to the absence of subsidiary branch lines to open up the surrounding country.

The building of the Manchurian Railway was the outcome of China's defeat by Japan in the 1894-5 conflict. Unquestionably as an internal route, entirely isolated from external action, the tract of railway influence, remaining nominally Chinese, would sooner or later be converted into a Russian preserve, insured, so to speak,

against China, and at the same time politically connecting Siberia with the Ussuri region, *i.e.*, giving it an indispensable strategical rear and that durability of position in the sphere of external political operations, for the sake of which the Siberian line was chiefly built. It is also easy to understand the superiority of this direct junction over the tortuous Amur road, under conditions of strategical remoteness from the direction of the Yellow Sea which characterized Manchuria at that day. Russia, then, found herself face to face only with China who, for that matter, regarded Russia in those days more as a stay and support than an enemy. But suddenly from Port Arthur rose a cry of alarm when in 1897 an English fleet was seen near its shores. The seizure of Kiaochow by Germany and of Wei-hai-wei by Great Britain coincided with this period of the Far Eastern drama. Japan, who had only just been forced by Russia and Germany to evacuate Port Arthur, quietly and unobtrusively set to work to build a battleship fleet and to form an army nearly a million strong on a war footing, while the alliance with England was deftly prepared. General Kuropatkin has stated in the *Novoe Vremya* that "prior to our occupation of the Kwantung Peninsula there existed a proposal to connect the Siberian trunk line with Kirin and Mukden." On the close of the Russo-Japanese War in 1905 a series of valuable articles on the Russian Far Eastern adventure appeared in the metropolitan press. Especially valuable is an article from the pen of Mr. Gouryeff, in the *Russkiya Vyedomosti*, entitled "Outbreak of the Russo-Japanese

War." This article is valuable not only on account of the extracts it contains from official documents, but also on account of the position which the author himself had held in the Ministry of Finance. As a coadjutor of Count Witte he had many opportunities of making himself familiar with the trend of Far Eastern affairs, which deeply interested the Ministry of Finance, and of collecting a mass of material in the shape of copies of important documents, notes, and summaries, to one of which documents General Kuropatkin adverted when he spoke of the project to connect the Siberian line with Kirin and Mukden. This object was mooted by Muravieff in a memorandum dated November 12th, 1897. At the end of that year Germany, under the pretext of indemnifying herself for the murder of several missionaries in Shantuug, forcibly seized Kiaochow and stationed troops there. China appealed to Russia for assistance, and that Power actually promised to despatch a squadron to the spot, but a day later announced that she would try to settle the matter through the diplomatic channels at Berlin. Count Muravieff conceived the idea of taking advantage of the Chinese appeal for protection by occupying a port on the Yellow Sea, and in November, 1897, prepared the above-mentioned memorandum, in which he expressed his view on the fortunate conjuncture of circumstances, and proposed that, without loss of time, possession should be taken of the port of Talienwan, or some other harbour chosen by the Ministry of Marine, following Germany's example. On consideration of this memorandum by the Ministers of War,

the Navy, Count Witte, and Count Muravieff himself, it was decided not to occupy Port Arthur or Talienwan, both in view of the treaty with China and with the object of maintaining Russian prestige in the Far East. Nevertheless, at the beginning of December, 1897, the occupation of Port Arthur took place in consequence of the report of Count Muravieff to the effect that if Russia did not occupy Port Arthur and Talienwan they would be occupied by England.

CHAPTER III

THE MANCHURIAN "ADVENTURE" AND AFTER.

Russia's Real Antagonist—Russia's Under-estimation of the Forces Arrayed against Her—What She Should Have Had to Guarantee Her Position in South Manchuria—Strange Miscalculations of Russia's *Ante-Bellum* Policy—The Chinese Complication—Russia's Participation in Boxer Campaign Condemned as a Diplomatic Blunder—Count Witte's Responsibility for the War—Upon What Basis of Reality Did Russian Plans at Dalny and Port Arthur Rest?—South Manchurian Adventure Weakened Russia's Natural Northern Base—What Is Meant by a Policy of Adventure—Japan in Russian Eyes before the War—Victory Would Have Helped Russia Little—Victory or Defeat Alike Prejudicial to Russian Strength in Europe—The Sum Total of Three Hundred Years of Siberian Possession—The Weak Link between the Trans-Baikal and the Ussuri—The Japanese Menace Again—South Ussuri To-day in the Position of Kwantung during the War—Vladivostok in the Position of Albazin in the Days of Khabaroff—What Asia Really Seeks—Russia's Vulnerable Spot in the Far East—Mr. Panoff's Pessimistic Conclusions.

Mr. Panoff's account of the part he played as a journalist and publicist in warning his countrymen and the authorities of the inevitable consequences of the occupation of Port Arthur is of intense interest to the student of this chapter of Far Eastern history, but it is not absolutely germane to the purpose of this retrospect, which seeks rather to bring into relief the present-day position of East Siberia and North Manchuria in the wake of Russia's ill-starred "adventure." It is worth while, however, making a verbatim extract from Mr. Panoff's brochure indicating clearly the force and resources Russia ought to have had at her disposal in order to defend her holdings from the onslaughts of the Japanese.

"To-day," writes Mr. Panoff, "the real character of our antagonist has been made clear: that enemy was Japan, with the support of England, America, and China herself, *i.e.*, precisely the antagonist whom I pointed out in January, 1899. And the outcome of the war is now well known. It is now clear to everybody that to have made our position secure we ought to have had in readiness in the Far East three hundred thousand men, with a well-equipped base, and ample means of transport by the trunk line of the railway. We ought to have had the whole of the Kwantung Peninsula in readiness, from Port Arthur to Yingkow inclusive. And, finally, we ought to have had on the spot a special Pacific Ocean fleet so superior in strength to the Japanese that even after the sudden disablement of three vessels by explosion it might confidently have sought the enemy in the open sea instead of being obliged to hide from it in port. Such are the means of which we ought to have been able to avail ourselves on the spot for the prevention or favourable conclusion of a colonial war so remote from our centre, with a Power possessing a population of fifty millions and an army a million strong. And in 1898, when I warned our authorities against the dangerous step of occupying Port Arthur, I pointed out in general outline that the result for us would be not only the absolute necessity of having a suitable fleet in the Far East, but also of having at our disposal on the spot a forest of bayonets—'a second Prussian frontier.'"

GENERAL KUROPATKIN.

It is instructive, too, at this late date to read an article which appeared in the columns of the Parisian paper *l'Éclaire*, early in April, 1898, in which the Russian occupation of Port Arthur is gravely spoken of as having opened the eyes of all Europe to the advantages of a strong policy "sure of itself," in comparison with the twistings and turnings of a weak-kneed policy. "This note," it is announced, "will serve as a reply to the attempt to create a diversion, the ridiculous spectacle of which has been offered to the world by England, who is so deeply involved in the African war that she herself cannot act in Asia." Further: "England thought that she would find in Japan an obliging assistant who would be willing to risk going to war with Russia; this combination has been shattered in the most pitiful manner in favour of Russia," etc., etc.

Another injurious outcome of the Russian incursion into South Manchuria and Port Arthur took the form of complications with China. Had Russia refrained from these steps, in Mr. Panoff's opinion, her hands would not have been tied in the Boxer rising of 1900, to the detriment of her own interests, and her voice and intervention might even have been powerful enough to avert the worst evils which followed. Thus Russia's position in North Manchuria would have been materially strengthened. It is evident that Mr. Panoff holds Count Witte chiefly responsible for the war, because it was Count Witte who fathered the policy of extending the Chinese Eastern Railway southwards from Harbin to Dalny and Port Arthur. At the same

time he admits that there were other contributory causes, as, for example, the famous timber enterprise of M. Bezobrazoff on the Yalu. Had it not been for the latter, the Russian writer Gouryeff, quoted by Mr. Panoff, contends that hostilities might at least have been avoided for some time to come.

But why, it may be asked, must Russia's policy in South Manchuria be insultingly designated "adventure," and not the "crowning of a great historical task," to use the language of Count Witte himself? Is this difference in nomenclature due solely to the fact that the unhappy war deprived Russia of the opportunity of turning to good account the fruits of previous activity? Not at all. This was a policy of adventure because in a political sense it could but prove abortive in results. Port Arthur was destitute of the most elementary qualifications which should guide the selection of a naval and military port. The creation of Dalny as a commercial port resulted in the weakening of Port Arthur. The millions which might in the long run have made Port Arthur really impregnable were diverted to the luxurious equipment of Dalny which, if Russia's position in the peninsula was to have been assured, should also have been converted into an impregnable fortress. As it was, it could offer no resistance to the victorious advance of the Japanese, and had to be abandoned, subsequently facilitating Japanese operations against Port Arthur. The construction of the South Manchuria Railway from Harbin had the inevitable effect of reducing the value of the line eastward from that town, and of the

entire Ussuri Railway, while the closing of the Priamur free-port naturally tended to the depreciation of the vast Priamur region, besides entailing a huge expenditure on the defence of the frontier against smuggling. As for the South Manchuria line itself, on what sort of "world-transit" could it in reality reckon with assurance? The world purveyors, England, Germany, and the United States, have their own lines of steamers to the East, and ocean carriage is cheaper than the railway. Japan also has her own commercial fleet which connects her with America and Europe. Russia, therefore, could hope for little from any of the above sources. There remained only China as a possible Russian patron, but even here the railway would have to compete with both foreign and Russian ocean transport. The nett residuum thus appears to be Chinese tea, which previously was sent to Europe via Nikolaevsk and Vladivostok until it was artificially attracted to Dalny; and passengers and mails, which, for that matter, might also have gone via Vladivostok, by the northern route, without the expenditure of millions on the southern branch to Dalny. Other rivals to the railway in Manchuria itself were the Liao River and the Chinese Hsimmintun Railway, and in view, too, of the comparative proximity of Yingkow to Harbin, it was unreasonable to expect that the bulk of the overland freight would go by the Dalny route. The steamship service of the Chinese Eastern Railway, which was to have served the needs of the Far East, in conjunction with Dalny, ended in collapse from

a deficit in its very inception. When in addition to all this it is remembered that the administration had to meet a deficit on the eastern section from Harbin to Pogranichnaya, which, together with Vladivostok, had been offered up as a sacrifice to Dalny, coupled with the depreciation of the section from Pogranichnaya to Vladivostok via Nikolsk, it will be obvious that, in order to stimulate artificially the line to Dalny (900 versts), the foregoing portion of the trunk line (728 versts) communicating with the old Russian port, was violently depleted. In this connection, it will be evident that the gain resulting from the construction of the trunk line through Manchuria, a distance of 514 versts, as compared with the abandoned Amur branch, was lost with interest in the deficit resulting from the operation of the branch from Harbin to Vladivostok, a distance of 728 versts. On the other hand, it must be borne in mind that the great Manchurian centre is Mukden, about four hundred versts from Dalny, and, therefore, in estimating the respective competitive attributes of Yinkow and Dalny, the difference of 230 versts between them has to be taken into consideration in relation to Mukden, and on this basis the value of Dalny as a distributing point for freight is again detrimentally affected in favour of Yinkow. For these reasons Mr. Panoff, telegraphing in 1901 to Count Lamsdorff, then Minister for Foreign Affairs, insisted that Port Arthur could be merely an advance port and that Dalny would promote alien interests alone. In other words, thanks to this southern line, the entire northern

THE LATE COUNT LAMSDORFF.
Russian Minister for Foreign Affairs.

section, which should have remained Russia's natural base, suffered severely. The consequences in the Priamur region had already begun to make themselves felt before the war, but what is now occurring in North Manchuria and Mongolia could only at that time be vaguely surmised, though to-day it has become an indisputable fact of a very disquieting character. Concurrently with these factors, Russia is again compelled by force of circumstances to revert to the old project of the Amur Railway, although she originally shelved it on the ground of economy, in favour of the Manchurian trunk road. The thinly-peopled and immature Priamur will thus be served by two lines, under immediate economic conditions which actually render even one line almost superfluous.

"Finally," writes Mr. Panoff, "the adventurousness of the Manchurian caprice becomes abundantly clear from the utter absence of suitable means at our disposal for the fulfilment of the task which we had assumed. If these means, at the cost of a terrific effort and straining of our resources, to which Count Witte himself testifies in his report on his visit to the Far East, and which General Kuropatkin confirms from the military point of view, in his polemic with Count Witte, whose guilt he shares, had been sufficient for the realization of the first stage of this adventure, a great deal still lay in front. 'There will be required,' wrote Count Witte, 'much labour and great exertion; it will be necessary to overcome no small number of obstacles of every kind; more than one generation will pass away before this undertaking in all its ramifications can be brought to a

conclusion and yield those abundant fruits which may be expected from it. The problems which confront us are so complicated and numerous that to describe them at the present time would be difficult and almost impossible.' "

Mr. Panoff adds that if this enterprise were not to be merely adventure, those responsible for the drafting of the plan were in duty bound to see that the means for carrying it into effect would be sufficient. The unhappy war has vividly illuminated this side of the story, proving as it did to what a degree Russia underrated her opponent. Like the rest of the Occident, she regarded the Far East from the erroneous standpoint of European "supremacy" and contempt. Even this, says Mr. Panoff, was pardonable; the really unbearable reflection is that, even had Russia won the war, the actual results, beyond additional martial glory, would have been equally lamentable. In this mistaken appraisement of the strength of her opponent Russia overlooked the fact that Japan was a Power with a population of fifty millions, which rested upon a base of corresponding resources, not far removed from the scene of action; while for the conduct of the war within the confines of Manchuria and the Priamurye, the Russian base lay on the other side of the Urals. Without speaking of the absence of properly-prepared points of support in Manchuria, Russia had no supplementary forces at her disposal for a serious conflict in the East with a foe equipped with the latest devices of western military art, the fact being that the flower of the Russian army was stationed

on the European frontier, and from this source alone could a competent fighting force of the requisite strength be drawn. It is evident, therefore, that in inflicting this blow upon Russia in Manchuria, Japan injured Russia in Europe also. In a geographical sense the war was an Asiatic one, but in everything relating to its inherent character and consequences it was quite as much a European war as that with Turkey. Exhaustion in such a war, even with the laurels of a victor in Manchuria, was bound to reduce Russia in Europe to a position analogous to that which she occupied at the Berlin Congress, after her victory over Turkey, while in the East, as the outcome of the exhaustion of her central strength, she would in any event have been left helpless and burdened with new and monumental financial obligations, on the one hand, and, on the other, face to face with foes determined on revenge. These results would have constituted an incubus almost as overpowering as that entailed by actual defeat.

The summing-up of the situation cannot be reassuring for the Russian Imperialist. After nearly three hundred years' possession of the Trans-Baikal, the population of that region is only seven hundred thousand souls, of which a quarter are aborigines, *i.e.*, Bouryats. The Yakutsk Province is almost entirely non-Russian, and of the few thousand Russian inhabitants a considerable proportion are exiles. The enormous expanse of North-Eastern Siberia, together with Kamchatka, is virtually empty. Russia has had the Priamurye for fifty years, but its population (the

Southern Primorsk inclusive) does not exceed five hundred thousand.* The total population from Irkutsk to Nikolaevsk and Vladivostok, Russian and native, may be about a million and a quarter. This is not more than that of Petersburg or Moscow, but scattered over an area of one million four hundred thousand square versts, which is equivalent to three Frances. These are the concrete results of the Russian Far Eastern movement, says Mr. Panoff.

The course which this publicist advised before the war as the only safe retreat from an impossible position comprised the voluntary evacuation of South Manchuria in general, and of the southern line in particular (with Dalny and Port Arthur included); the liquidation of this costly and ruinous enterprise by means of a more enduring confirmation of the Russian position in the north, with a view to strengthening the old frontier between China and Siberia, the weakness of which had been disclosed when at the outbreak of the Boxer trouble the Chinese bombarded Blagoveshchensk from the right bank of the Amur; the expansion of the zone of colonization between the Trans-Baikal and the Ussuri region; the elimination of the "yellow wedge" between them; and the welding of the Priamurye into a legitimate whole by its fusion with the Sungari basin. Now, of course, it is useless to dwell upon this issue. Russia must face the realities of a difficult situation. What are the facts? "The Siberian frontier under our very eyes," writes Mr. Panoff, "is irrevocably being transformed

* These figures are purely approximate.

into an unbroken line of bayonets. The strategical position of Manchuria, which was created with our own hands by the building of the southern line to Port Arthur and Dalny, strengthened by the new Japanese line from Korea and the Chinese line to Hsimmintun, has converted that frontier into a spacious road for a hostile advance against our boundaries, and has invested it with the properties of a mighty battering-ram predestined at any moment, when required, to shatter the weak link between the Trans-Baikal and the Ussuri region, and to cut off our forward positions in the Priamurye from their political and strategical rear. Mongolia, which has hitherto been regarded as our screen, is also being converted into a region which threatens the Trans-Baikal. The frontal Chinese lines have drawn near to the Amur itself; a Chinese town is projected at the mouth of the Sungari; the middle stream of the Amur is open to Chinese navigation; that portion of the Manchurian railway which remains in our hands intact is in the west already passing under the supervision and control of Chinese garrisons; while from the direction of North Korea the outlying posts of the Japanese are being established and are striving to seize the key to the Ninguta region in Chientao, near Nangan, so as to isolate, when necessary, our eastern position in the South Ussuri region. From the ocean the whole of our Pacific Coast is exposed to the operations of a Japanese fleet. During the war General Kuropatkin was pinned to the railway line and thus deprived of liberty of action; now the

position is many times worse. The South Ussuri region with Vladivostok is now in the same position as was the Kwantung Peninsula with Port Arthur during the war!

"Only recently, along the tremendous stretch of our lines of communication from European Russia to the Far East, we exposed to a serious blow only the frontal portion on the Ussuri coast near Vladivostok, whereas now we have opened up the entire line of communication within the country, our rear and flanks in the Priamurye, and partly even in the Trans-Baikal. Vladivostok unexpectedly finds itself in the position of Albazin of old in the time of Khabaroff, Stepanoff, and Tolbouzin. Where but a few years ago, enjoying the advantage of almost complete invulnerability, thanks to the Manchurian screen, we might with our fleet have successfully influenced international policy in Europe and East Asia, we to-day appear to be in doubt even of our own proper position, not to speak of the external influence which we have wholly lost, and thanks to which so much political care and effort had been expended in the Priamurye. To-day it behoves us to think merely of how to defend our coast-line on the Pacific, in accordance with the duty of a great Power.

"To this pass have we been brought by the historical blunder perpetrated by us in Manchuria, whither, without looking back; without profiting by the lesson of the Nerchinsk Treaty of 1689; without making a correct appraisement of the results of the progressive movement in East Siberia and its fortuitous character; without having given any fundamental consideration to the grave

national risk we were running, we encroached, without a properly-equipped base in the Trans-Baikal, precisely as was the case on the occasion of the first advance on the Amur under Khabaroff. Reaching the shores of the Yellow Sea through Manchuria, which we sundered in our progress, with a direct menace aimed at our neighbours and the Asiatic Powers, we left out of sight the fact that by this step we were radically changing the meaning of our colonial Far East, transferring thereto from the centre deep and far-reaching political and strategical pressure against our neighbours—pressure which, by reason of its entire unpreparedness for such a function, that Far East could not and cannot successfully exert, while in the eyes of those neighbours it was in this manner being transformed from a Russian auxiliary colony into a heavy, massive battering-ram, palpably destined to deal a crushing blow at an antagonist, with all its imperial might. Hence arose our neighbours' fear for their own peaceful existence; the energetic arming with the object of active defence of their own vital interests; the propaganda against the snares which Russia was preparing; the wide uplifting of national spirit; and the equally deep, popular wrath against the Russians. To hurl Russia back, not only upon her original positions, but if possible even to oust her entirely from the Pacific Coast has become the national aspiration of our Asiatic neighbours in the Far East, and has quickened their attention to the task of being in readiness to enter upon an aggressive war with us, notwithstanding the tremendous sacrifices this must involve.

"This was our historical mistake, with the consequences of which we are now required to reckon under conditions of the most onerous character for us, for the defence of our national territories. A second Prussian armed frontier in the remote East of Siberia, from Baikal to the Pacific Ocean, in spite of the economic weakness of that country, has become an inevitable task, though meanwhile the oppressive nature of this inevitability is indubitably overwhelming for the national resources. Already the burden of the task is felt in the laying-down of a second track for the Siberian Railway, when the first still continues to suffer from deficits, and in the building of the new Amur line, which must obviously for a long time continue to be a losing concern and add another burden to be borne by the national exchequer. And then, what will it cost to equip a huge independent military base in the Far East, and maintain there a land force which, taking into consideration the difference in the length of the Sino-Japanese lines of communication via Korea and South Manchuria, as compared with our own, will be capable of hopefully opposing the efforts of the enemy to sever the isolated portions of our Far East before our main force shall have time to reach the scene from our centre? And in any case, we cannot possibly dispense with a proper fleet corresponding in numbers and character to the offensive sea forces of the enemy, in addition to what has been said above. Land defence will remedy only that which we have ourselves created by the opening-up of South Manchuria on the flank

and in the rear of our position in the Far East. But when Japan has occupied a permanent strategical position against us in Korea, if we do not wish to see, from the one side, a wholly unimpeded concentration and movement thence of the Japanese armies towards our boundaries, and, from the other, free Japanese descents upon our coast-line and the squeezing in a vise of the entire Ussuri region, which without this is quite hard enough to defend, it is senseless for us to think of remaining without an opposing fleet. All this is too clearly legible on the map, and one need not be a specialist or strategist to elucidate for oneself the true state of affairs. A second war in the Far East will hang over us as a continuous menace not only in the event of complications in the East itself, but in the event of any of those highly intricate collisions of the respective interests of the Powers in Europe. Here Russia offers such an exposed and vulnerable spot that not one of her serious rivals and opponents in international politics will let slip a convenient opportunity to tie her hands by means of her position in the Far East. The final steps in the progressive movement of Russia in the Far East, thoughtlessly made by Count Witte by the laying of the Chinese Eastern Railway and the establishment of Port Arthur and Dalny, have shown themselves in this manner to be not the fulfilment of an historic task, as he lightly terms it in his report on his visit to the Far East, but the most colossal historical blunder—*the fatal advance towards the awful downfall of Russia on the shores of the Pacific Ocean,* the consequences of which in

their entirety we cannot as yet properly estimate."

Such is a brief and an inadequate summary of the views entertained by an authority who has studied the subject carefully, who has lived thirty-three years in Siberia and the Far East, and who, as an ex-naval officer in the Russian service, is personally familiar with every inch of the ground. I may elsewhere have occasion to allude to certain factors in the situation which, in my judgment, tend to modify the uniformly ominous conclusions which Mr. Panoff has seen fit to draw from undeniably strong premises, but the value of this writer's share in the investigation of a political problem, the solution of which involves the destinies of more than one people in both hemispheres, can hardly be overrated.

CHAPTER IV

THE SCOPE OF EAST SIBERIA.

The Trans-Baikal, Amur, and Maritime Provinces—Their Area, Population, and Resources—Description of the Amur River—Sketch of Lake Baikal—The Provincial Town of Chita—Its Past, Present, and probable Future—The Climate of East Siberia—Autumn the Ideal Season—Backwardness of Education—The Japanese Invasion—Prospects of Foreign Trade—Popular Feeling in East Siberia—No Animus against the Japanese—Views of Russian Publicists.

Geographically, East Siberia includes the Trans-Baikal, Amur, Maritime, and Yakutsk Provinces, but for the purposes of this investigation only the first three will be dealt with in detail. Taking them in their order from west to east, the Trans-Baikal Province covers an area of 540,000 square versts, or 400,000 square miles, and its population at the present day may be roughly estimated at about seven hundred thousand Russians, Bouryats, and Tunguses. The country is extremely mountainous and the soil of extraordinary fertility. The mineral wealth of the Trans-Baikal is also world-famous, or should be, since it includes gold, silver, iron, lead, tin, and copper, and among precious stones, the amethyst, jasper, the opal, topaz, and mountain crystal. The population is chiefly engaged in agriculture, then come cattle-breeding, hunting, fishing, and mining. The province is composed of eight divisions, or *arrondissements*, viz.,

Akshinsk, Barguzinsk, Verkhnyeudinsk, Nerchinsk, Selenginsk, Troitskosavsk, Nerchinsko-Zavod, and Chitinsk. The provincial town is Chita, which is described more in detail elsewhere.

The Amur Province, which is for the most part bounded on the south by the middle course of the Amur, has an area of 400,000 square versts, or nearly 300,000 square miles, and a population of about 200,000. (All these figures are necessarily approximate, since the tide of immigration is continually changing them.) The Russian element is concentrated within a fifty-verst zone along the left bank of the Amur, while the native and non-Russian element comprises Tunguses, Gilyaks, Koreans, and Manchurians, with a few hundreds of Japanese of recent years. The principal mineral products and activities of the region are gold, silver, coal, petroleum, agriculture, fishing, hunting, and business. The province is divided into the district of the Amur Cossack troops, the region of the peasant settlers, and the mining-police district, viz., Verkhnye (Upper) Amur, Bureinsky, and Khingan. The chief towns are Blagoveshchensk and Khabarovsk.

The huge Primorsk, or Maritime Province (1,562,400 square versts, or more than a million square miles), occupies the Siberian coast-line of the Pacific, but its population is as yet insignificant. The latest census gives 377,129 of all nationalities which include Russians, Chinese, Koreans, Japanese, Gilyaks, Kamchadales, Koryaks, Tunguses, Lamuts, Chukchis, and others. More than 300,000, however, are Rus-

sian subjects. The addition of the regular troops incorporated into the Vladivostok garrison would, no doubt, make the foregoing estimate of the population seem considerably larger, but it is not possible to say exactly what the strength of this garrison, both in and around Vladivostok, is at the present moment. The province is divided into nine districts—Petropavlovsk, (in Kamchatka), Gizhiginsk, and Anadir, north of the latter; Okhotsk on the west, and Udsky on the south shore of the Sea of Okhotsk; in the south of the province are the Khabarovsk, South Ussuri, and Ussuri-Cossack districts, which are the most densely populated and fruitful; while east of Kamchatka are the Komandorsky, or Commander Islands. The Russian half of Saghalien is regarded as a separate district under the administration of its own Governor. The administrative centre of the Maritime Province is Vladivostok. The activities of the province are agriculture, pre-eminently in the South Ussuri region; hunting, deer-breeding, mining, and fishing.

Merely to complete this bird's-eye view of East Siberia, it can be noted that the Yakutsk Province takes up almost the whole of North-East Siberia, and extends over the tremendous area—even in this land of immense distances—of 3,488,000 square versts, or some three million square miles—almost half of Siberia. Its population, on the other hand, is hardly more than 260,000.

It may assist a general conception of the topographical features of East Siberia if it is explained that the southern portion of the north-eastern section of the

country, from the Primorsk and Stanovoi ranges westward to the tributaries of the Yenesei, forms a giant indentation of three or four hundred thousand square miles, some thousand feet above the level of the sea. This section is surrounded by a ring of mountains from two to four hundred miles in width. As regards the south-eastern section, the entire stretch of country from the Yablonovy range southwards to the Amur River is covered with hills and mountains, in many places deeply intersected by river valleys. The southern (Sino-Siberian) boundary of the Trans-Baikal runs with the northern frontier of Mongolia along a lofty and barren mountain range, which gives place to a level, grassy plain as Mongolia merges into Manchuria. The boundary then makes a sudden rise to the north of the Argun River, and the latter flowing into the Shilka forms the Amur, whereupon the boundary follows the immense curve of the river. At its confluence with the Ussuri, the Sino-Siberian boundary again turns to the south, and still further south it ceases to be a natural boundary, until on reaching the north-eastern frontier of Korea, the Tumen River, or Tuman-gang, forms a natural division between the narrow southern strip of the Ussuri region and Chientao Province. In this way the land boundaries of East Siberia are on the west and south, and are for the most part mountain chains, the latter being especially lofty and inaccessible in the south. The Sino-Siberian frontiers extend together for seven thousand versts, or nearly five thousand miles. The Japan Sea washes the coast of South-East Siberia, together with the spacious Bay

of Peter the Great, which in turn is divided into two smaller gulfs, the Amur and Ussuri. On the peninsula between these two bays stands Vladivostok, now Russia's sole naval and commercial port, worthy of mention, in the Pacific. It possesses one of the finest natural situations in the world, and its harbour is free from ice during two hundred and fifty days of the year. The Tartar Straits lie between the shores of Siberia and the Island of Saghalien, forming a connecting link between the Sea of Okhotsk and the Japan Sea. The Sea of Okhotsk is separated from the Pacific by the barrier of Kamchatka and the Kuriles.

The Amur River, which above the Ussuri forms the boundary between Siberia and Manchuria, has enormous geographical and political significance. It is just as well, therefore, than the reader should familiarize himself with its main features in order to arrive at a better understanding of a highly-important part of the strategical map of the Far East. The Ingoda and Onon, the latter flowing from the confines of Mongolia, combine to form the swift and shallow Shilka, which in turn joins the Argun to form the Amur. Both the Shilka and the Argun flow from the south-west, the former rising in the foothills of the Yablonovy Mountains, and the latter in the Dauria Mountains. The upper stream of the Amur passes through narrow valleys and between lofty, well-wooded hills and mountains, but further to the east the valleys grow wider and the mountains rarer, and Blagoveshchensk, between the wide tributaries of the Amur, the Bureya and Zeya, has a low-lying plain behind it.

Further to the east the hills again hem in the river, which in the region of the Khingan Mountains twists and winds amid scenery of indescribable beauty. The Amur beyond this point again spreads out between flat and low-lying banks, its surface dotted with many islands, and at a point about two hundred and twenty or thirty versts from Khabarovsk the great Manchurian river, Sungari, flows into it from the south. Khabarovsk stands at the confluence of the Amur and Ussuri, the latter also flowing into the former from the north, and thence the Amur is abruptly diverted to the north amid the ramifications of the Sikhota-Alin Mountains, for a distance of eight hundred versts, until it loses itself in the Tartar Straits. Not far away from the mouth of the Amur stands the town of Nikolaevsk, famous as a fishing port, the district town of the Udsk division of the Maritime Province. At its mouth the Amur is more than nine miles wide. In depth this mighty body of water varies from two and three feet to several fathoms. Near Blagoveshchensk it is open to navigation about the beginning of May and freezes about November 23rd, but at Nikolaevsk the dates are June 4th and November 25th respectively. The most important tributaries of the Amur on the left bank are the already-noted Zeya and Bureya. The former, a thousand versts in length, rises in the southern slope of the Yablonovy Mountains, which gradually give way to a woodless prairie covered with thick, high grass. The Bureya, nine hundred versts in length, is a swift stream broken by numerous rapids, and closely resembles the Zeya in

its general characteristics. The entire Amur basin covers considerably more than a million square miles. In July and August the river attains its maximum height of about seven fathoms above its normal level, and it is at this season that the most disastrous inundations usually occur, involving great loss of life and property. Entire lakes several miles in width are formed, and in spots, where under normal conditions islands rise many feet above the water, only the tops of trees are visible. In fact, the rise and fall of the river fairly change the topographical features of the country. At high water the rocks and cliffs, which form the banks at either side, often overhang the stream and rise sheer out of its depths, and when the flood is at its worst the surface is littered with the trunks of trees, fragments of buildings, beams, haystacks, and peasants' huts. But at low water, in places which were previously covered to the very sides of the cliffs, sandy shallows strewn with shingle are now seen, and the Cossack *stanitsi* appear to have been removed further back from the edge of the river, sometimes standing on the high banks of waterless tributaries; nor is it easy to realize that at other seasons the safety of these settlements can be menaced by floods. The great floods of 1872 were among the worst ever experienced on the Amur, twenty-seven villages on the banks of the upper reaches of the river being utterly wiped out, leaving "not a wrack behind."

As the scope of this review of East Siberia is from the Trans-Baikal to the Maritime Province, it would be invidious to omit all mention of the great body of

water which gives its name to the former. With the exception of the Canadian lakes and Victoria Nyanza, Lake Baikal is the largest body of fresh water in the world. It is the monarch of the Siberian lakes—named by the Mongols Dalainor, the "Holy Sea," or Baikoul, Lake Fortune. It is nearly five hundred miles long, in the form of a sickle; from twenty to seventy-five miles wide, and has an area of above twenty-thousand square miles. In its southern part it is more than five thousand feet deep, and in the northern part about three thousand. So transparent is the water that the bottom, at a depth of from thirty-five to fifty feet, is clearly visible. On the eastern shore of the lake a range of mountains, constituting an offshoot of the Yablonovy chain, rises to a height of four thousand feet and stretches away into the distance, its many peaks heavily capped with snow. The lake is subject to sudden storms of terrific violence, especially in the spring and autumn. Both the native tribes of the region and the Russian peasantry regard the lake with feelings of awe and terror as a manifestation potent, menacing, and destructive. The vivid imagination of the Tunguses and Bouryats has peopled the surrounding cliffs with malignant supernatural beings. One rock in particular rises like a pillar to a height of a hundred and twenty feet above the surface of the water. It bears some resemblance to a human head, with a nose seven feet long, with hollows resembling eyes, and in place of a mouth a cleft in the rock where numerous cormorants and sea-gulls make their nests. This rock is known as the sea-god, the awful

ICE-BREAKER ON LAKE BAIKAL.

LAKE BAIKAL FROM LISTVYANICHNOE.

Diandou, to whom the Tunguses pray and offer propitiatory sacrifices. On the holy island of Olkhon dwells the infernal deity, Begdazi, who commands the souls of the wicked. Sacrifices are made to the "invincible white god" on the Shaman stone as far away as the sources of the Angara. The lake freezes entirely only early in January, the layer of ice reaching a thickness of three and four feet. When there is no wind and no snow—the usual conditions of a Baikal winter—the surface of the lake shines like a mirror and reflects the summits of the hills and mountains on its banks. Over all is the sky, blue and cloudless. The Selenga River, nearly a thousand miles long, falls into Lake Baikal from the east, making its way through the mountains from Mongolia, and the tributary streams of this river form a system which helps to water the Trans-Baikal.

Chita is the provincial town of the Trans-Baikal Province, the seat of the military Governor, and of many provincial institutions. It is situated on the left bank of the river of the same name, on the Trans-Baikal line of the Siberian Railway, not far from its confluence with the Ingoda. From the middle of the eighteenth century a convict settlement existed here, and in 1827 the famous "Decembrists" (*Dekabristwi*) were transported hither, a special prison being built for their accommodation. Thanks to their personal energy and the ample means provided by their relatives and friends, a well-constructed settlement was gradually formed. One of the streets of the present town is called "Ladies' Street" (*Damskaya*

Ulitsa), as it was named at the time when the wives of the noble exiles, Troubetskoi, Volkonsky, Muravieff (pronounced "Mooravyoff"), Annenkoff, Nerishkin, Davidoff, and others lived in it, preferring to share the exile of their lords rather than to stay behind in Russia. In 1851, on the formation of the Trans-Baikal Province, Chita was converted into the provincial town. It was also proposed to establish here the administration of the Trans-Baikal Railway, seeing that Irkutsk is somewhat isolated from the main line, whereas at Chita the administration would have been provided with a more central situation, but in view of the fact that, to carry out this idea, it would have been necessary to build offices and quarters for the employees, the project so far has not advanced beyond the embryonic stage. Although hitherto the development of Chita has languished owing, so some of my Russian friends say, to the predominance of the "military-administrative spirit" which permeates the ruling official classes, there has nevertheless been marked growth during recent years, local authorities claiming a population of nearly fifty thousand "souls" at the present day. A great deal is expected from the construction of the Amur Railway, work on which is now proceeding, and should the colossal Kamchatka scheme of M. de Lobel and his American coadjutors ever come to anything, Chita will unquestionably witness a real estate boom quite commensurate with Wild West precedents.

Chita enjoys a highly picturesque position. Mountains rise on three sides and command a magnificent

view of the city. The latter forms a sort of amphitheatre disposed on two terraces, which descend to the mouth of the river Chita by the slope of the southern end of the Ingoda Mountains, which constitute the northern part of the Zankansky chain. This chain stretches away to the north-west, parallel to the eastern slope of the Yablonovy range, in conjunction with which it forms the valley of the Ingoda River. Reckoning as the crow flies, Chita is 6,405 versts from St. Petersburg and 5,792 versts from Moscow, and from Chita to Stretensk, where passengers embark for the Amur trip, the distance is 357 versts. The former great Siberian horse track, approaching Chita from the west and passing close to the shore of Lake Kenonsky, turns to the south, and, at a distance of more than two versts from the town itself, ascends the slope of the mountain. At the highest point of the gradient, to the left of the road, is a small chapel, or oratory, and by the side of this a stone obelisk, erected to commemorate the stay here of the then Tsesarevitch, now Tsar of Russia, for his farewell luncheon, on the occasion of his passage through Chita in 1891.

Autumn is the best time of the year to visit East Siberia. At this season the sky is clear, the air is pure and dry, there is scarcely any wind, and the morning frosts, which actually begin in August, are in no sense severe. Towards the end of October the temperature begins to decline appreciably and it grows windier and frostier. The winter supervenes gradually. The first snow falls for the most part towards the end of September, though during my visit I saw none of it,

the season, so I was told, being particularly mild. The strength of the sun is so great that the snow usually melts during the day, or is dispersed by the wind. In mid-winter the snow is deeper, but as a rule there is very little, and the use of sleighs in Chita itself is exceedingly rare. The rivers freeze about the middle of November, the Chita first, and considerably later the Ingoda, and so on, in proportion to the size of the river and the swiftness of its current. Once winter has set in thaws are virtually unknown. The weather is quiet and clear, and snow-storms and blizzards hardly ever occur. Forty-nine degrees of frost are often recorded, and the ground freezes to a depth of from eight to ten or eleven feet, roughly speaking. Residents assured me that, thanks to these favourable meteorological conditions, it was comparatively easy to endure the East Siberian winter, and the educational establishments of Chita require all scholars to be in attendance so long as the temperature does not fall lower than forty degrees of frost. Such a rule would be impossible of fulfilment in European Russia. It is curious to note that earthquakes are not unknown here, though they are of less frequent occurrence than at Irkutsk. These shocks, however, are comparatively mild and are not elicited by local causes, but are, so to speak, echoes of fluctuations of the earth's crust not nearer than Baikal.

Chita and other East Siberian towns, such as Nerchinsk, Stretensk, Blagoveshchensk, Khabarovsk, and to a lesser degree Vladivostok, remind one of our own younger colonial settlements. Chita is ambi-

VIEW OF CHITA, TRANS BAIKAL PROVINCE

tiously planned, with wide streets and ample space for further extension. At present there are no paved roads, and the footpaths are for the most part made of planks, as at Vancouver twenty years ago. For residential purposes wood is the customary building material. Streets like the Amurskaya, Argunskaya, and Blagoveshchenskaya boast some very respectable buildings. Two or three cinematograph shows—that great staple of the Far East—cater most of the time to the frivolous-minded public; Chita has also a circus, not always open, a summer theatre and garden, a small park, and, as is always the case in Russia, several typical churches to satisfy the religious needs of the community. The Russian Imperial Geographical Society has a library and museum of considerable interest, which help the visitor to gain a fair idea of the fauna, flora, trade, and industries of the province. But on the whole, provision for the educational needs of the town and district leaves a great deal to be desired. The Classical Male Gymnasium, as it is called, is a handsome white stone building with accommodation for five or six hundred pupils, but there are as yet no institutions above the rank of middle school. In the latter category some seven establishments may be included, while there are eleven elementary schools, one Sunday School, and one technical school. As far as I could ascertain there were about three thousand children of both sexes attending school. It is significant enough that there is but one university for the whole of Siberia, viz., at Tomsk, and it is assuredly high time that a second institution of the kind should be opened east of Irkutsk,

the more so seeing that the thirst for education throughout Siberia is a marked and gratifying phenomenon.

The Japanese have already reached Chita and make a good living as laundry-men and women, photographers, barbers, occasionally as dentists, and there is a small colony of Japanese women engaged in a less respectable calling which shall be nameless. There is one general Japanese store bearing the title, in Russian, of the "Rising Sun," but no Japanese are found in business enterprises of great extent or importance, and Japanese wares, save as curiosities, do not enjoy a high reputation. The Russian is not easily hypnotized by superficial glamour, and it has not taken him long to discover that the majority of the products of Dai Nippon do not wear well. I heard vaguely of an American who was connected with an agricultural machinery business at Chita, but I never saw him, nor did I meet a solitary Englishman or American throughout my trip of a month or more in East Siberia, though there ought unquestionably to be a market for English goods in common use and of moderate price, which, one would think, might be imported at a profit in spite of the high tariff. I earnestly advise those who are in quest of new markets to keep an eye upon the progress of the Amur Railway and the mooted Kamchatka Railway project, for if both these should be carried through—and the former line is already in course of construction—there is bound to be an ever-growing demand for supplies of every description, and any

kind of enterprising retailer ought speedily to amass a small fortune, not alone at Chita, but at a dozen or more points between that town and Khabarovsk, including the many Cossack settlements along the Amur River itself. But of course some practical knowledge of the Russian language is an indispensable preliminary to this departure.

During my stay at Chita I made the acquaintance of several of the local journalists, more especially the editor of the *Zabaikalskaya Nov*, or "Trans-Baikal Virgin Soil," whom I found a highly-cultured gentleman of middle age. The subject uppermost in my mind was naturally the Amur Railway, and answering my questions the editor said :—"The construction of this line is approved almost *in toto* by East Siberians, among whom it is purely a non-party matter. There may exist a divergence of views as to the immediate expediency of an enterprise involving an outlay of four hundred million roubles or more, at a time when the national finances are in such a straitened condition, but that, sooner or later, the road must become a necessary adjunct to the development of this region, few if any would deny."

"What is the feeling," I asked, "on the subject of Russo-Japanese relations? Is there any foundation for the reports sometimes seen in Japanese papers that Russia is preparing for a war of revenge against Japan?"

The editor smiled. "It is utter nonsense," he replied, "to suppose that the Russian people in Siberia have the faintest wish to enter upon a war of

revenge. The attitude of the Government is, of course, another question, but personally I do not believe that there is any such intention, although it goes without saying that, after the lessons of the late war, the need for preparedness is fully recognized."

A high official connected with the Cossack Surveying and Delimitation Department, by whom I was most kindly entertained, expressed views almost in exact accordance with the above. "We residents of East Siberia," he said, "are far too deeply concerned about our own domestic affairs to bother our heads about a second war." He affirmed, and the fact was obvious, that the Japanese in the country lived amicably among the Russians; they speedily learn the language, or as much as is necessary for their business requirements, and appear in no hurry to return to their native land, where they would be taxed to the limit of endurance.

"It is surprising to me," added this gentleman, "that no foreign agriculturists make any attempt to settle in the Trans-Baikal and Priamur districts, where the conditions are really favourable to success. There is an ample supply of water, and the climate, though undoubtedly severe, is eminently healthy, consumption, for instance, being almost unknown. I know that big money is made out of the sale of agricultural machinery, which is bought in large quantities by the Cossacks. Russian and American makers are so far the only ones in the market. Russian machinery is cheaper than American and perhaps somewhat inferior, but still there is a large

demand for it. A great deal more might be done by foreign competitors than at present."

I was fortunate enough to secure an interview with Mr. N. K. Volkoff, the Kadet, or Constitutional Democrat member of the Douma for the non-Cossack part of the Trans-Baikal, and he confirmed what my journalistic friend had said about the non-party character of the Amur Railway construction. He smiled humorously when he admitted that, on this question, the opposition was divided in the House, the East Siberian deputies being inevitably pro-Government on this single issue. Mr. Volkoff, though still quite a young man, has had an eventful career. He was implicated in the celebrated Chita rising against the Government immediately after the war, but was rather leniently treated by the Field Court, serving only two or three months in prison as a result.

I paid a farewell call on the youngest and most "progressive" of the Chita dailies, styled *Zarya Baikalya*, or "Dawn of the Baikal," which I found to be an offshoot of the older and staider *Zabaikalskaya Nov*, above referred to. The paper was housed in somewhat primitive quarters, and I noticed that several of the compositors were of the fairer sex. The members of the editorial and reportorial staff were nearly all young men ranging in colouring from brunettes of the deepest dye to light blondes, but all alike in their contention that the only redeeming act of the Russian Government was its pending construction of the Amur Railway. Nothing would satisfy these hearty young fellows but that I should sit down and on a galley

sheet indite in Russian, to the best of my poor ability, a record of my impressions of Chita. I fancy I managed to leave behind me the conviction that never, or hardly ever, in the whole course of a misspent life had I seen a finer city, experienced a more delightful climate, or mingled with a grander set of people than Chita and at Chita. No doubt I laid on the colours with a thick brush, but I felt pretty confident that this testimonial to the varied attractions of Chita would not be used to lure the unwary, or to "bull" the market, and I was amply rewarded for my exertions by the fervour of my companions in crime when bidding me *do svidaniya*, or *au revoir*. Good luck to Chita and its sturdy citizens! There are worse places and persons in both hemispheres.

CHAPTER V

ON THE AMUR RIVER.

From Chita to Stretensk—Sketch of Nerchinsk and Stretensk—Importance of the Latter as the Starting Point of the Amur River Navigation—Vicissitudes of the Amur River Fleet—Decline of this Service Helped by Russian Policy of Booming Dalny and Port Arthur—Result of the War Revives Interest in the Amur Navigation both Economically and Strategically—Difficulty of Navigating the Shilka—Some Facts concerning the Journey from Stretensk to Khabarovsk—Life of the RiverineResidents—The Cossack "Stanitsa"—Cossack Population Badly Affected by the War—The Constitution of a typical Cossack Commune—Some Native Tribes—Shamanism among the Bouryats—The Station Chasovinskaya—The Amur Railway a Strategic Necessity and an Economic Burden for the Empire though Favoured by East Siberians—The Principal River Stations—Potential Wealth of the Region—The Amur River Gunboats—Smuggling—The Chinese and Koreans as Settlers—Alarming Growth of Chinese Population.

I UNDERTOOK the journey from Stretensk to Khabarovsk during the latter part of September, 1909. I left Chita by the mail train (*pochtovwi poyezd*) at 10.40 a.m. on the 18th of that month, and reached Stretensk at 5 a.m. on the following morning. This short line of about three hundred miles was the only one in East Siberia until the construction of the Chinese Eastern Railway. The line passes through highly-picturesque country, more especially when the train enters the valley of the Shilka, skirting the mountain range, which is intersected by deep gulleys and mountain passes. Between Chita and Stretensk lies the small town of Nerchinsk, with a population of about six thousand, a thousand houses, and four or five

inevitable churches. Nevertheless Nerchinsk is far older than many other Siberian towns of infinitely greater importance at the present day, though in the past Nerchinsk figured largely in the history of Russo-Chinese relations. The town was founded in 1654 by the Yenesei warrior, Afanasi Pashkovwi, and the Cossack Captain, Beketovwi. In 1689 the Okolnitchy (a courtier of the second class, attached to the person of the ancient Tsars), Golovin, who had concluded the Nerchinsk Treaty with China, built a fortress at Nerchinsk, and thenceforward the place was officially recognized as a town. In 1708 Nerchinsk was attached to the Siberian Government, in 1719 to the Tobolsk Government, and in 1764 to the Irkutsk Government. In 1783 Nerchinsk was made a provincial town; and by 1881 had become a district town of the Trans-Baikal Province. The present site dates from 1812, when the town was removed from its former position nearer the Shilka on account of the destructive floods to which it was continually being subjected, but even now it is still within the danger zone and not infrequently suffers from inundations. There is a fairly large convict prison near the town. The inhabitants engage in trade, agriculture, and transport. Not far from the town are two tanneries, two candle factories, and a fur-coat factory. There are seven schools, viz., a third-class municipal school, a girls' pro-gymnasium, four parish schools, and one elementary school.

The town of Stretensk is a place of some importance as the terminus of the railway on Siberian territory

CONVICT PRISON AT NERCHINSK.

ROCKY BANK OF THE SHILKA BELOW STRETENSK.

and the starting point of the Amur River navigation. It may be said to connect the Trans-Baikal line with the Ussuri Railway, from Khabarovsk, and to end at the Pacific Coast at Nikolaevsk on the Amur. The population of the town is estimated at between twelve and fifteen thousand. Sixteen years ago the Amur fleet of steamers was far larger than at present. The speedy growth of this fleet coincided with a period of general revival of the Amur region, when the construction of railways constituting a part of the great Siberian system called forth a demand for the carriage of an enormous quantity of freight, both private and for the purposes of the railway. The Amur River fleet expanded not daily or yearly, but almost hourly, and in 1900 it comprised no fewer than 116 steamers. In those days the entire stream of immigration into the Priamur and Primorsk (Maritime) Provinces chose the Amur River route, in consequence of which, at various points in the Amur basin, settlement stations were established, with spacious barracks, hospitals, and commissariat. The entire passenger and goods traffic proceeded to the Far East by the same route, and so great was the demand for accommodation that those who desired first and second class cabins had to engage the same by telegraph from Irkutsk, since otherwise they ran the risk of having to spend several days at Stretensk waiting for a steamer. The building of the Chinese Eastern Railway has "changed all that;" a large proportion of the passenger and goods traffic—more especially in the case of articles of value calling for quick delivery—

has been diverted to the railway route, and the Amur fleet has suffered in consequence. The Russian authorities, in pursuance of their suicidal policy of booming Port Arthur and Dalny, stimulated this tendency by artificial means, extending to patrons of the railway special rates, which rendered it absolutely impossible for the river steamship companies to compete with any prospect of success. Before the existence of the Chinese Eastern Railway, tea for Russia was shipped by the Amur, as offering the cheapest carriage, but the opening of goods traffic on the Chinese Eastern Railway, via Dalny and Port Arthur, thanks to the same policy of special rates and exemptions, deprived the Amur of its most profitable line of freight.

Side by side with the decline of the Amur steamship service in quality and quantity, the colonization of the Amur region also ceased, and that portion of the population which derived the greater part of its sustenance, directly or indirectly, from this service, became impoverished. Now, however, after the fall of Dalny and Port Arthur, the prospects of a revival of river communication are much brighter; there is reason to hope that the needs of this service will attract serious attention, since the melancholy events of the recent war have clearly proved the indispensable nature of the Shilka and Amur navigation from both the economic and strategical standpoints, and this, too, in spite of the Amur Railway project which will require many years yet for its consummation. As to how this latter project will affect the future of both Stretensk

and the steamship service in general, it is as yet too soon to pronounce a definite opinion. Doubtless a certain portion of freight demanding speedy delivery will be diverted to the railway, but there must always remain a very considerable amount which can be forwarded more cheaply and conveniently by water. In the case of the numerous Cossack settlements lying on the banks of the river, not to speak of the rapidly-growing population of the right, or Chinese bank, the Amur steamers are the natural means of transportation. But an improved system of dredging the upper waters of the Shilka is highly desirable. Some idea of the obstacles and dangers which confront the river pilots may be obtained from the statement that from Stretensk to the junction of the Shilka with the Amur, there are more than one hundred and twenty reefs. In view of this circumstance, navigation on the Shilka, even during the most favourable season of the year, is possible only for steamers of shallow draft (not more than three and a half feet), which has to be reduced to three and even two and a half feet at low water. It is only from Blagoveshchensk to Nikolaevsk that navigation can be conducted by deep-draft steamers.

The person of limited means, who undertakes this trip, must be prepared for some inconveniences, though they are far fewer than one has any right to expect considering the surroundings. If the weather is at all wet, the mud at Stretensk and other wayside stations is something too awful for words. My goloshes were simply dragged from my boots by the suction underfoot, as I tried to walk from the ferry

landing to the steamer, and in the long run I had to ride on the cart with my luggage. Those who are at all fastidious are also advised to wait for the mail steamer (*pochtovwi parokhod*) which plies regularly between Stretensk and Blagoveshchenk, and again between Blagoveshchenk, Khabarovsk, and Nikolaevsk. These steamers are astonishingly good, though the passenger must provide himself with bedding, or at least a blanket, since the cabins, comfortable in every other respect, with cushioned seats, steam-heating, and electric lights, do not furnish this convenience. Seeing that from the beginning to the end of this trip I did not meet a solitary Englishman or American, I may take it for granted that conditions of travel in this highly-interesting region are "caviare to the general," and a few hints regarding itinerary, expenses, equipment, etc., may not be out of place. For those to whom time is an object, the down-stream route, from Stretensk to Khabarovsk, is to be recommended; otherwise, if the steamer has to travel against the current, from Khabarovsk to Blagoveshchensk and beyond, the trip will take quite twice as long. As already indicated, for the down-stream trip, the traveller must go first to Chita, and thence by the branch line to Stretensk. From Stretensk to Nikolaevsk is precisely 3055-1/2 versts (a verst is 3500 English feet), and from Stretensk to Khabarovsk 2115-3/4 versts. The fares by the mail steamer are as follows:—

Stretensk to Blagoveshchensk: 1st class, 29 roubles 94 kopeks; 2nd class, 17 roubles 96 kopeks; 3rd class, 3 roubles 99 kopeks.

Stretensk to Khabarovsk: 1st class, 52 roubles 90 kopeks; 2nd class, 31 roubles 73 kopeks; 3rd class, 7 roubles 05 kopeks.

Stretensk to Nikolaevsk: 1st class, 76 roubles 39 kopeks; 2nd class, 45 roubles 83 kopeks; 3rd class, 10 roubles 18 kopeks.

In addition to the above, there is a charge of two roubles twenty-five kopeks a day for food. In my own case, ascertaining that the regular mail steamer would not be in before the next day, I took a cargo boat to Blagoveshchensk, second class, for twelve roubles, and two roubles twenty-five kopeks a day extra for food, which was excellent, as Russian food nearly always is. A simple comparison between the distances and the fares will be enough to show that travelling in this part of the world is astonishingly cheap on the whole. The scale of payment for porters is, however, much higher than in England. Fifty kopeks, or a shilling, is a very common gratuity, and for carting my belongings from one side of the Shilka to the other, by the ferry, my izvozchik charged me "two whole ones," *i.e.*, two roubles. The same service in Japan would have cost fifty sen. The majority of the smaller steamers on the Shilka and Amur are stern-wheelers, but the mail boats and the larger private steamers, two or three of which are even finer than the mail boats, are usually side-wheelers and can make twenty versts an hour with the stream. Though it may be hard to believe, it is true that these larger steamers in the first-class saloon have pianos, card-tables, lounges, potted plants, and such like luxuries to make the traveller forget that he is supposed to be beyond the pale of Occidental civilization, while the second class accommodation is amply good enough for any reasonable

person. The order of the day for meals is tea, cake, bread and butter between six or seven and nine. Russian tea has no peer and Siberian butter also stands alone. Much of the so-called tinned Danish butter is Siberian butter spoiled. Most people know that the Russians prefer as a rule to drink tea with a slice of lemon floating on the surface; milk is, however, provided for those who like it, and there is no statute of limitations applicable to the number of glasses the individual is allowed to take in any given time. Dinner, or *obyed*, an exceedingly elastic term, was on board my steamer served after twelve o'clock and consisted of two courses—a thick and savoury *shchee* or *borsch* soup and one other meat dish with vegetables, and a sweet of some kind. The evening meal (*uzheen*) was usually served between seven and eight and bore a close family resemblance to the midday meal. Wines, beer, and drinks of any other kind save water and tea were charged extra. I had reason to confirm my earlier impression of the Russian cuisine to the effect that under the Russian flag a "portion," as it is called, of any description of food, is so voluminous that a meal composed of two dishes is more than enough to satisfy the most exacting Anglo-Saxon appetite.

The journey from Stretensk to Blagoveshchensk took five days, several delays being caused by the fogs which at this season of the year have a bad habit of gathering without warning and holding traffic up for hours at a stretch. For my own part I did not regret the leisurely journey since it afforded me an op-

portunity of talking with the passengers, landing at the various Cossack *stanitsi* on the left bank of the river, and in general gathering information concerning the manners and customs of the region, among both the Russian and native population. The former consists largely of Cossacks who engage in agriculture, cattle-breeding, fishing, hunting, and so forth. As a rule the Cossack is far better off than the ordinary Russian peasant, since in return for his constant liability to military service in time of war, he enjoys many special privileges, and has received the pick of the land from the Government. But the Amur Cossack is far less prosperous than the Cossack of the Trans-Baikal. An average *stanitsa* on the Amur is made up of small wooden houses of a single type, with two or three windows. In front of the houses, on the banks of the river, are the bath-houses and kitchen gardens (*ogorodi*), and behind are two or three store-houses. Many of the houses are thatched with bark, and with a few notable exceptions, the impression given is not on a par with what I have been accustomed to receive in the Trans-Baikal and West Siberia. It is undoubtedly a fact that the Amur Cossacks take life very easily and make hardly any effort to farm their holdings to the best advantage. Both the Trans-Baikal and Amur Cossacks suffered severely from the Russo-Japanese War. They were despatched to the front in great numbers, and a big proportion never returned from the bloodstained fields of Manchuria. Nevertheless, in spite of the fact that the war has left its traces upon the well-being of the

population, the menu of the average Cossack or Russian peasant in these regions would seem luxurious to a Japanese in a similar walk of life. Bread in almost unlimited quantities, potatoes, milk, and milk products, butter, eggs, meat, and fish are all common enough articles of diet in Siberia. The day usually begins with tea and bread; at midday the family take dinner; at three or four o'clock tea; and at seven supper consisting of what is left over from dinner, with the inevitable addition of tea. This bill-of-fare applies to a family of fair means. The peasant proper, however, enjoys plenty even if his food lacks variety. Cabbage soup is a universal stand-by, a very present help in time of hunger; while barley, potatoes, and meat are favourite ingredients of this concoction. *Kasha*, a kind of gruel, baked potatoes with butter and *smetana* (a preparation of sour-cream), beef, mutton, pork, and during Lent such trifles as fish instead of meat, the toothsome Russian pastry known as *pirog*, other varieties of *kasha*, beets, turnips, and peas boiled and served with oil or butter—all these are exploited in the interests of the peasant gastronomy.

Every Cossack and every peasant in Siberia belongs to a rural commune, known in Russian as a *syelskoe obshchestvo*. Each Cossack commune receives from the State a certain area of land, in the proportion of thirty *desyatin* (nearly ninety acres) *per capita*, although it goes without saying that as the population of the commune increases this proportion may be sensibly modified. In such cases, however, when the *per capita* proportion of land is reduced

to an unreasonable limit, the State usually makes an additional allotment to such commune. The *per capita* proportion for peasant communes is only twenty *desyatin*. Each commune elects a headman, called, in the case of the peasant communes, a *starosta*, and in that of the Cossack communes, an *ataman*, who may be termed the executive organ of the will of the commune as a whole. In cases of necessity, however, a *skhod*, or meeting of the entire adult male population of the commune is summoned to pass final decision. The individual Cossack or peasant enjoys merely the right to the use of the land which may be allotted to him by the commune, but has no power to sell or otherwise alienate it, though he may sell his right to the use of it for a fixed term. In any case, however, his children inherit the right to the use of the land. In return for the privilege of using the land, each occupant must pay a small tax to the State for that proportion of his holding which is actually under tillage. On the other hand, every able-bodied Cossack owes military service to the State, and his position differs from that of the ordinary conscript in that he must supply his own horse, saddle, and uniform, and must even purchase from the State the sword which he wears. The State furnishes him merely with his rifle and ammunition. In a land where the term of service with the colours is four years, it can easily be understood that these conditions are not popular. The Cossack outfit, without rifle, sword, and ammunition, cannot cost less than two hundred roubles. The State

theoretically recognizes its obligation to reimburse him for the loss of his horse on duty, but even if the horse does not die, it is none the better for four years' hard service. There are other conditions connected with the question of land tenure and military service in Siberia, a detailed explanation of which would require more space than I have at my disposal, but for practical purposes the foregoing outline will be found sufficient.

The Cossacks turn to fishing and hunting with more zest than to agriculture. Spring and summer are the best seasons for fishing, and the casting-nets in general use often bring to light fish of enormous size. Sturgeon weighing one hundred and seventy pounds; *byeluga*, or white grampus, sometimes weighing seven hundred pounds; the famous *keta*, or Siberian salmon, and pike running into seventy and eighty pounds occasionally figure among the best catches. During the winter the Cossacks often fish on the Amur by a special method which is as follows: During the autumn, when the ice is still thin, and therefore easily pierced, stakes are driven into it at frequent intervals as far as the centre of the river from the bank nearest to which the fish are likely to pass. In the centre of the river, at the end of these stakes, a large ice-hole is made, above which, on the surface of the ice, a tent or hut with a narrow entrance is erected. The fishermen, armed with harpoons or fish spears, take their stations in this tent, which is lighted from the side. Let us suppose that a fish is approaching the spot. It will usually collide with the stakes,

A GILYAK HOLIDAY: DOG-RACING, A FAVOURITE SPORT.

A TUNGUS CAMP.

turn aside and appear in the ice hole, whereupon the fishermen hurl their harpoons into it. One, two, or three harpoons will be used, according to the size of the fish. The end of the harpoon is chained to stout beams so that the fish cannot carry it away.

On the right bank of the river from Pokrovka to Radde, the Tunguses are found in large numbers. They are Chinese subjects and make their living by hunting and fishing. From Yekaterino-Nikolsk to Khabarovsk the Chinese shore is peopled by semi-nomadic tribes of Goldi, who form small scattered settlements, living in mud huts during the winter and in tents made of birch bark or reeds during the summer. Of later years they have taken to agriculture on a small scale, growing for the most part wheat and Indian corn. Bouryats are also found in the Amur Province and Trans-Baikal. Distinctly of Mongolian race, bearing all the hall-marks of the latter, they are highly esteemed for their mental and moral endowments, and are free to share with the Russians all the rights of citizenship. Bouryats may thus be found in the Russian army as officers and privates, and they are regarded as faithful subjects of the Tsar even though they retain their belief in Buddhism. The Bouryat is highly hospitable, a good husband and father. The northern Bouryats live in octagonal wooden huts about seven feet high, with an opening in the roof to let out the smoke, the fire being lit on the ground in the centre of the hut. In the Balagansky and Irkutsk districts the Bouryats have taken to building houses in the Russian style, and

have begun to mingle with the rest of the population, but still the larger portion prefer to dwell in small nomadic camps of from ten to fifteen huts each, scattered over a wide area and surrounded by palisades.

A very interesting field of inquiry for the student of national cults is offered by the rapidly-diminishing Shamanistic superstition among the Bouryats. A Shaman in this part of the country is one who has the power to enter into communion with the powers which dominate the elements, and propitiate them in favour of his clients. The Shaman is often called in to cure the patient of illness. On such occasions he wears a special coat and hat. The former is made of chamois leather trimmed with velvet and iron pendants, which represent snakes. The latter consists of an iron hoop to which are attached two iron half-circles which cross each other at the top. The Shaman holds in either hand a stick supposed to represent a horse, the top being carved in imitation of a horse's head. In the middle of the stick is a slight bend to which are hung small stirrups. Standing by a specially prepared fire, the Shaman and his assistants chant their prayers; the Shaman, supported by his sticks, then begins to leap into the air and hurl his body from side to side until a real or simulated fit supervenes, when he falls to the ground foaming at the mouth. He howls and screams in a frenzy and frequently throws himself upon those present. In this condition, so the Bouryats believe, he is taken possession of by the spirits and is able to prophesy, or point out the where-

abouts of stolen goods. If he has been called in to cure a patient, it is supposed that his soul leaves his body and betakes itself to the abode of the dead, the kingdom of Erlen-khan, before whom it offers up supplications for the restoration of the soul of the sick man. The black Shamans are able to invoke the malignant spirits of the east, while the white Shamans have influence over the beneficent spirits of the west. When a Shaman dies he is usually buried among the mountains, the coffin being placed in a tree. The Bouryats nowadays prefer Lamaism, Buddhism, and Greek Church Christianity to Shamanism, and in the Irkutsk Government only five per cent. of their number remain true to the ancient faith.

There are sixty odd Cossack *stanitsi* and post stations between Stretensk and Blagoveshchensk, not counting in this number either Stretensk or Blagoveshchensk. Of these *stanitsi*, twenty-six are on the Shilka and the remainder on the Amur. The largest of those on the Shilka, between the points mentioned above, is called Shilkino. It is eighty-eight versts below Stretensk, and according to the last census contained nearly a thousand souls. Here are two churches, one of which dates from 1827; a single-class school; and a post office. Shilkino is a so-called clinical point of the medical division of the Nerchinsk-Zavod district. In former days there was a large silver smelter here, but it had to be discontinued owing to the scarcity of ore and the superior attractions of gold-mining. Extensive deposits of iron ore were discovered in 1775, on the left bank of the mountain stream

Matikan which flows into the Shilka. Near the abandoned silver smelter excellent fire-clay is obtained. Ten miles further on is the village Ust-Kara, with seven hundred odd inhabitants, which takes its name from the river. Ten versts from the village, on the right bank of the Kara River, are situated gold diggings belonging to the Cabinet of His Imperial Russian Majesty. There are four mines in all and they date from 1838-52. The small post station of Chasovaya, 230 odd versts from Stretensk, I have spoken of separately elsewhere as having gained unexpected importance as a supply point for the Amur Railway. Near this station, too, are to be found two gold mines belonging to the Russian Cabinet. The first Cossack settlement of any importance on the left bank of the Amur is Pokrovskaya, which dates from 1858, and is, in fact, the first settlement of the kind in the Amur Province, on the banks of the great river. It is precisely four versts below the confluence of the Shilka with the Argun. Some distance beyond is the celebrated overhanging cliff known as Birkinsky, from the Tungus work "Beke," meaning "bold," because the current at this spot flows with tremendous swiftness; while twelve versts lower down is the dangerous reef Mangalcisky, on which more than one steamer in its day has come to grief. Fifty-four odd versts from Pokrovskaya is the station Ignashina, so-called after the river of the same name, at whose confluence with the Amur it stands. Eight versts from this station are iron alkali mineral springs, which are said to possess valuable medicinal properties. On the Chinese

side of the river, thirty-five versts inland, on the River Zheltoug, a tributary of the Albazikha, are gold-diggings discovered in 1883, which between 1884-5 attracted a population in excess of ten thousand, and which are also famous in local history under the style of the Zheltouginsky Republic. In 1886, however, the Manchurian troops dispersed these unauthorized gold-seekers and razed the buildings to the ground. Dzhalinda, or Reinovo, is more than a hundred and twenty versts beyond Ignashina, and is a fairly prosperous Cossack settlement with perhaps six hundred inhabitants. It was founded in 1858 and took its name from the engineer Rein, who participated in the celebrated Amur expedition of Count Muravieff-Amursky. The residence and warehouses of the Upper-Amur Gold-mining Company are located here. Below Reinovo the Amur enters an extensive valley, and the number of islands shows a marked increase. Twenty odd versts from Reinovo is the celebrated Cossack *stanitsa* Albazin, which was first seized by the Russians in the seventeenth century and again captured by the Chinese, only to be recovered by the Russians two hundred years later. After the first victory of the Chinese in 1685, the place was virtually destroyed and the Chinese retired, whereupon the indefatigable Cossacks reappeared, only 737 strong, under the leadership of the gallant Tolbouzin. When Tolbouzin fell, Beiton assumed command, and the siege by the Chinese lasted an entire year, until under the Nerchinsk Treaty, the Russians ceded the place

in 1689. A monument to the memory of the two stalwarts, Tolbouzin and Beiton, has been erected at Albazin. The present *stanitsa* stands on the ruins of the original town founded by the Cossack ataman Khabaroff in 1651, while the name itself is from that of the Daurian Prince Albaz, who in those distant days and prior to the incursion of the strenuous Khabaroff, owned the site. A powder magazine and military stores also exist here. The population is about eight hundred. It is significant how large a proportion of these *stanitsi* derive their names from the old Cossack freebooters of the seventeenth century, to whom Russia owes virtually the whole of her vast Asiatic domain. Forty versts below Chernyaevo and above the settlement Kouznetsovsky, the right bank of the river forms as it were four immense stone columns, which seem as though they had been purposely hewn out of the living rock by the hands of giants. This natural colonnade is styled the Stone Pillars, and in this vicinity, inshore, there are dangerous shallows. In the neighbourhood of the station Tsagayan, the cliffs rise sheer out of the stream to a height of two hundred and fifty feet, another freak of nature at this spot being known as the Lama Cliff, because the polished surface of the rock is supposed to resemble the close-cropped head of a Lama priest. The Amur tribes, the Chinese themselves included, hold this part of the shore in deep veneration. The entire range of Tsagayan, or White Hills, is composed of yellowish, sandy, horizontal strata alternating with layers of brown coal, which is constantly burning. We were unfortunate in passing

this district in the daytime, for it can easily be imagined that at night, these flaming natural beacons present a marvellous spectacle. Beyond Novo-Voskresenskaya the cliffs of red sandstone jut out from the shore three hundred feet above the water, and as seen from the south-west, take the shape of a gargantuan human figure, the head surmounted by a gigantic casque. The "Shrove-tide," more literally, "Butter-week Mountain," on the right bank of the river near Koltsovsky, is so dubbed by the Cossacks because it is deeply impregnated with petroleum. Another highly interesting landmark is the Cape of Korsakoff, three versts or so from Koumarskaya. Upon its singularly level summit, Baron Korff, the Governor-General of the Priamur, had erected a huge wrought iron cross, painted white and bearing a copper plate in the centre, with the inscription: "Strength is not in strength: strength is in love,"—these being the words made use of by the Baron when he opened at Khabarovsk the first congress of delegates chosen on account of their knowledge of local needs, to discuss important problems connected with the latter. This cross, surrounded by a cast-iron rail, is visible fifty versts away, from Ushakovsky settlement.

Approaching the settlement Korsakoff, the Amur makes a series of abrupt turns. This remarkable sinuosity, termed the Uluso-Modonskaya Loop, is a double loop bearing some resemblance to the figure 8, wherein are situated two peninsulas belonging to the Chinese and Russian sides of the stream respectively.

These peninsulas perhaps comprise from thirty to thirty-five versts of land, and each is joined to the mainland by a narrow isthmus. On the Russian isthmus, about a verst in width, stands the settlement Korsakoff, and opposite the Chinese isthmus on the Russian bank, is Bousse. Both peninsulas rise high above the water, are thickly wooded, and run down to the water's edge at a very steep gradient. The meandering banks of this stretch of the river are compounded of granite, porphyry, syenite, and argilite, which latter contains seams of coal and graphite. Formerly there used to exist here a Chinese military post and temple dedicated to Confucius. One of the richest villages in the province is the peasant settlement of Markovo, forty-four versts above Blagoveshchensk. It was founded in 1865 by immigrants from the Astrakhan and Archangel Governments, and its present population exceeds a thousand. The Cossack settlement Ignatievsky is eighteen versts further on and has a population of eight hundred odd. It was so christened in honour of Count Ignatieff who concluded the Peking Treaty with China in 1860.

Travelling in this manner day after day among the Russians, as one of themselves, chatting incessantly over the hissing samovar, going ashore at the different *stanitsi*, and studying the people individually and in the aggregate, I think I was afforded an opportunity of getting closer to the Russian as he really is than can the average bird-of-passage. With due allowance for the inevitable exceptions, the *motif*, if I may so express myself, was everywhere and always

good humour and *camaraderie* of a very attractive kind. From the "skipper" downwards all the members of the crew appeared to be good friends, and it was noticeable that, despite the misgivings with which the Chinese and Korean inundation—the former more particularly—is regarded, the individual Chinaman, not to say the Korean, associates with the average Russian on terms of social equality, and gossips freely in very passable Russian. The third-class accommodation on our cargo steamer was little better than the after-deck covered in with tarpaulin, and here men, women, and children of Russian, Chinese, and Korean nationality were compelled to make themselves as comfortable as the environment permitted. Among the women were several of quite respectable appearance and well dressed. In conversation with two or three I found that they were comparatively well educated, but none the less, from motives of economy, elected to travel in this highly democratic fashion. At night or early in the morning, if one were called upon to cross this after-deck, one had to pick one's way over a living mass of nondescript humanity huddled together in almost every conceivable attitude. In our second-class I became very intimate with an ex-Captain of cavalry who was accompanying an ex-Colonel and his wife on a mining expedition. The friendship between the two men was interesting to study because the ex-Captain was a Pole and the ex-Colonel a Russian. The ex-Captain assured me that his *tovarishch* (comrade) had a heart of gold, and had been reduced to comparative poverty

and thus forced again to seek his fortune purely owing to his unbounded generosity which would not allow him to say "no" to a petitioner. *Kakaya dusha oo nyevo!* (lit. "What a soul he has!"), was the ex-Captain's favourite comment on his friend. The ex-Captain had been in Japan and retained a soft spot in his heart for the eternal feminine of that much-abused and much-lauded land. He admitted that he had lived for all he was worth and had squandered his patrimony on the flesh-pots of Egypt. "Now," said he, "though I am still as strong as a horse, there are times when I feel that I am not perfectly normal." We parted with regret.

I know nothing of nature in detail and am content to admire the *tout ensemble*. So on the Amur, if not otherwise engaged, it was for me a pleasure in itself to sit in front of the saloon windows, or on the upper deck under the pilot house, and watch the ever-changing panorama of exquisite beauty which every twist and turn in the river unfolded. I was glad to see that the Russian passengers were equally alive to the grandeur of this mighty waterway. Those who have been wont to think of Siberia as a land of something not far removed from perpetual snow and ice—though their number is rapidly diminishing—will learn with considerable surprise that even at this season of the year I could frequently dispense with my overcoat during the day, and literally bask in the sun. Late at night and early in the morning one could better appreciate the merit of a well-warmed and well-lighted saloon. Electricity, I may mention, is the universal

PROMENADE-DECK, AMUR RIVER MAIL-BOAT.

PASSING STEAMER ON THE AMUR RIVER.

and compulsory illuminant on board the river craft.

On the evening of September 20th, we arrived at the station Chasovinskaya, or Chasovaya, a point of some interest as the terminus of a branch line, already built, running inland to connect with the as yet unconstructed trunk line of the Amur Railway some twenty-four versts away. Among the passengers who left the steamer here was a young engineer employed on the construction work, and in conversation with him I obtained a few facts not readily accessible through the press, which is not yet allowed to write as it likes about this enterprise. The starting point of the new trunk line is Kouenga, a small station between Nerchinsk and Stretensk on the Shilka, and its terminus is at Khabarovsk, two thousand two hundred odd versts distant. Estimates vary as to the time that will be required to complete the line, but from all the data available this can scarcely be less than seven years, and the cost may even exceed four hundred million roubles. There is to be a branch to Blagoveshchensk, which is situated about a hundred and twenty versts from the trunk line. As in the case of Chasovinskaya, other branch lines will probably be built to connect with the more important Cossack *stanitsi* on the left bank of the Shilka and Amur. The Chasovinskaya branch is already being utilized for the conveyance of materials to the site of the trunk line, and huge stacks of rails, sleepers, bolts, rivets, nails, etc., together with a considerable quantity of rolling stock, for the most part composed of freight cars, bear testimony to the fact that work is actually proceeding,

though at the time of my visit no rails had actually been laid on the trunk line. Six thousand Russian labourers were hard at work on the preliminary surveys, clearing, the erection of telegraph poles, etc., and it was then hoped that by the spring of 1910 the "taiga," or Siberian bush, would be roused by the arrival of fresh bodies of men, to the number of at least fifteen thousand, in addition to several hundreds of engineers, contractors, and clerks. Although the exclusive employment of Russian labour, as far as the actual construction work is concerned, will involve a material increase of the cost, the Douma nevertheless decided to prohibit Chinese labour,* and as the purely Russian population of the region is too meagre to furnish the number of hands required, the bulk of the latter has to be imported from European Russia. So far the smooth progress of the work has more than once been disturbed by disagreements between contractors and men and, in some cases, the difficulty of finding contractors willing to undertake the work in view of the many terrible natural obstacles to be overcome. One of the most serious of these is the Siberian marsh. Several of such, already discovered in the path of the projected line, are so deep and ex-

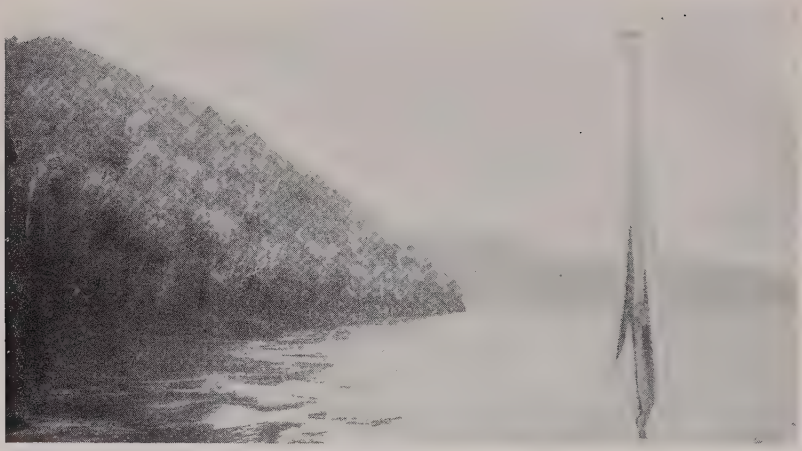
* I note that in a paper published recently in the Proceedings of the Russian Imperial Geographical Society, entitled "Chinese Colonization along the Russian Frontier," Dr. A. Kokhanovsky speaks of the grave economic error involved in employing Chinese in large numbers on the Amur Railway, in preference to Russians. His information in this regard certainly differs from what I was given to understand on the occasion of my visit, though Chinese were undoubtedly flocking to the railway region, attracted thither by the prospect of reaping a rich harvest from the hundred and one activities which a gigantic enterprise like the construction of a trunk line necessarily encourages. But with respect to actual work on the building of the railway itself, the facts appeared to be as I have given them, though they may since have changed in a land of the impermanent.

tensive that it may prove quite impossible to carry the railway over them, and inconvenient detours will thus have to be undertaken. In many places, too, it is impossible to cover more than five versts an hour on horseback, owing to the thickness of the vegetation. I am told that gold nuggets in considerable quantities have already been turned up by the labourers, while other parts of the area being opened up by the railway are reported to be suitable for cattle-raising.

It is a noteworthy fact that the operation of the Siberian lines already in existence entails an annual deficit of at least twenty million roubles, and that the Priamur region generally is a source of expense and not profit to the national exchequer. With reference, therefore, to the economic prospects of the Amur Railway, it would be foolishly optimistic to reject the evidence of those on the spot, who are almost unanimous in the opinion that, however beneficial the new road may be to the local inhabitants, yet as regards the interests of the Empire as a whole, the maintenance of the railway must impose a heavy burden upon the national resources for some time to come. In other words, the *raison d'être* of the Amur Railway is for the time being purely strategic, and the Japanese fully appreciate this fact. Although the stations on the Amur Railway will not necessarily coincide with those on the banks of the river, a list of the names of the more important river stations—in conjunction with the map included in this volume—will help the reader to follow the route of the new line. All these names appear here probably for the

first time in Roman characters. The figures appended to each name indicate the distance in versts from Stretensk.

Stretensk
Shilkino, 89
Ust-Kara, 106¾
Garbichenskaya, 161½
Sobolinaya, 210¼
Serebryanskaya (Akikina), 261¼
Povorotnaya, 311¼
Pokrovskaya, 373¼
Ignashina, 437½
Reinovo (Dzhalinda), 563½
Albazin, 578¾
Beketova, 672¾
Chernyaevo, 782
Novo-Voskresenskaya, 911¼
Koumarskaya, 987
Bousse, 1072¼
Blagoveshchensk, 1197¼
Post Marii Magdalinwi, 1203¼
Poyarkova, 1358¼
Innokentevskaya, 1483¼
Radde, 1623½
Pompeevka, 1656
Chetvertaya Pad, 1689½
Yekaterino-Nikolsk, 1740¾
Petrovskaya, 2018¾
Khabarovsk, 2115¾
Mikhailo-Semenovsk, 1903⅜
Vyatskaya, 2191¼



AMUR RIVER BEYOND BLAGOVESHCHENSK.

LONELY COSSACK *Stanitsa* ON THE AMUR RIVER.

Troitskaya (Dole), 2302¼
Malmwizhskaya, 2370¾
Voznesenskoe, 2404¼
Permskoe, 2447¾
Verkhne-Tambovskoe, 2498¼
Nizhne-Tambovskoe, 2563¾
Nyata (Tsimermanovskaya), 2674¼
Mariinsko-Uspenskoe, 2766¼
Bogorodskoe, 2867½
Mikhailovskoe, 2905½
Anninskiya Vodwi, 2944
Nikolaevsk, 3055½

The five days' journey to Blagoveshchensk passed swiftly and pleasantly. The arrival of a steamer is quite an event in the "mild and unexciting lives" of the riverine residents, and every village turned out to the last man, woman, child, Chinaman, and dog to exchange greetings with friends, to welcome the coming, and speed the parting, guest. The pessimism which appears to dominate the public utterances of Russia is far from characteristic of the individual in East Siberia. The vast potentialities of the country are everywhere admitted, but few have a good word to say for the Government and Russian officialdom generally, in their relation to the administration of the Amur Province. Even those bulwarks of the State, the Cossacks, have sent opposition members to the Douma, and one old veteran, with whom I became very friendly during the trip, vigorously denounced the incompetence of the army officers as a class, and the lethargy of the Government in the development of

education. He fell foul of the priests for their loose and immoral lives which, he asserted, often reached the dimensions of a scandal in certain parts of the country. Frequently as the steamer passed some promising-looking spot on the shore, the old-stagers would assure each other that gold or petroleum, or both, could be found there in abundance if only somebody had enough enterprise to invest a little capital. "If only the country belonged to America or England," they would say, "what a difference it would make! The Moscow 'koupets' prefers to drink tea all day and run no risks."

Several times during the journey we passed the Amur River gunboats, whose primary object is supposed to be the prevention of smuggling, though it is manifestly impossible for some eighteen of these craft to keep watch and ward along the enormous stretch of shore between Stretensk and Nikolaevsk. The policy of protection, following the closure of the free port, has resulted in some astounding discrepancies between the prices of goods on the Chinese and Russian sides of the river respectively. A *vedro*, or 2.70 gallons, of vodka, on the Russian side costs R12.00, whereas on the Chinese side it can be bought for R1.50. Matches on the Russian side cost R11.50 a case, the price on the Chinese side for the same quantity being only R4.70. Sugar on the Russian side costs R10 a *pood*, or about thirty-eight pounds; on the Chinese side the price is R5.40. It stands to reason that with such a margin of profit to work upon, it is worth the while of both Chinese and Russians to engage in con-

traband, and it is not too much to say that the very minions of the law whose special duty it is to stamp out this illicit traffic secretly sympathize with the offenders and do not love their own dangerous work. The result of this protective policy, for the problematical benefit of the home merchant, has been to increase the cost of living in a colony which has quite enough hardships and difficulties to contend against without the additional handicap of having the price of necessaries enhanced by artificial means.

The Chinese, while freely used by the Russians—a large number of the steamer hands were Chinese—are nevertheless an unpopular element, owing to the impossibility of competing against them. It was the prospect of flooding the country with hundreds of thousands of labourers that actuated the Douma in prohibiting the employment of Chinese on the Amur Railway. Both the Chinese and Koreans appear to be able to make a decent living where the Russian will starve. But the Korean is far more popular as a factor in the population than the Chinaman because he tries hard to identify himself with the land of his adoption. Overjoyed at escaping from the hated thrall of the Japanese, he soon dresses like a Russian, speedily acquires an excellent knowledge of the language, frequently turns Greek Christian, and in other respects exhibits gifts of assimilation which render him a desirable colonist. The Cossack has many admirable qualities, but the love of hard work is certainly not one of them. His penchant for gentlemanly ease has in some cases led him to sub-let part of

his holding to a Korean or a Chinaman, and in this insidious manner the "yellow races" are said to be gaining a foothold in the country, which will have to be reckoned with at some future date. It is contended by statisticians that during the decade from 1898 to 1908 the Russian population of the Amur and Maritime Provinces increased by ninety thousand only, whereas for the same period the Chinese increased from only forty-three thousand to two hundred and fifty thousand.

CHAPTER VI

ON THE AMUR RIVER (CONTINUED).

Arrival at Blagoveshchensk—Description of Town—The Chinese Town of Sakalin opposite Blagoveshchensk—Lawlessness of the Region—Hotel Life in East Siberia—The Russian "Umivalnik,"—or Wash-stand—Bathing at a Premium—The Cost of Travel—Rules and Prices at Representative Siberian Hotel—Gold-mining in East Siberia—Description of Journey through the "Taiga" and of an East Siberian Gold Mine—Effect of the Life upon the Morals of the Workmen and Neighbouring Communities—The Contraband Sale of Vodka.

During the forenoon of September 24th, our steamer, the *Irtish*, reached Blagoveshchensk, which makes quite an effective picture from the water. The town of Blagoveshchensk is scattered over several versts of a plain, at the confluence of the Amur and Zeya Rivers, on the left bank of the former, and is the centre of the civil and military administration of the Amur Province. Its growth has been greatly helped by its proximity to some of the biggest gold mines of the region and by its position between Stretensk and Khabarovsk. It is estimated that the present population of the town cannot be much less than between fifty and sixty thousand, and it is still growing. The streets are wide and well graded, but unpaved. The majority of the buildings are wooden, but in many cases tastefully designed in the attractive Russian style of architecture, and painted in bright colours. Most of the stone and brick structures of which the town

can boast are gathered in the centre, where the attention of the stranger is at once directed to the really palatial premises of the German house of Kunst & Albers and the Russian firm of Chourin. Along the banks of the river runs a pretty boulevard, where may be seen several Chinese guns captured by the Russians at the time of the Boxer trouble, when the Chinese bombarded Blagoveshchensk from the opposite side. The name of the town is also associated in the minds of foreigners with dark memories of the "massacre" of Chinese which took place under the régime of General Gribsky, when the victims were driven into the river and ordered to swim to the opposite bank. This unfortunate affair I have referred to elsewhere in this volume, and the facts have undoubtedly been greatly exaggerated, as everything of an uncomplimentary character connected with Russia or the Russians has hitherto had a habit of being in the English and American Press. I am glad to note that an improvement has set in during the last few months, but Anglo-Saxon ignorance of a remarkable country and a remarkable and large-hearted people is still nothing short of appalling.

Blagoveshchensk was founded in 1856 as a military post, but was then called Ust-Zeisky. In 1857 it was transformed into a *stanitsa*, and in the following year raised to the rank of a town and the administrative centre of the newly-formed Amur Province. On May 21st (Old Style), 1858, Count Muravieff-Amursky, on the occasion of his arrival at Ust-Zeisky, announced to the Emperor the conclusion of the Aigun Treaty with

WATER-FRONT, BLAGOVESHCHENSK

WATER-FRONT AT BLAGOVESHCHENSK.

China, and on the same day the first stone of a church dedicated to the Blessed Virgin Mary was laid by Archbishop Innokenty, the *stanitsa* being simultaneously created a town and re-named Blagoveshchensk, from the word *Blagoveshchenie*, which means in Russian either the Day of Annunciation (Lady-Day) or the announcing of glad tidings. In other words, it was at this spot that the glad tidings of the annexation of the Amur region to the dominions of the Russian Empire were first proclaimed. On the same day, at the church parade of the troops of the Ust-Zeisky post, Count Muravieff gave the following order of the day:—"Comrades! I congratulate you! We have not laboured in vain. The Amur has been made the inheritance of Russia! The Holy Orthodox Church prays for you! Russia thanks you! All hail the Emperor Alexander II. and may the newly-won land flourish under His protection! Hurrah!" In truth, the new town, thanks to its favourable situation on two navigable rivers and its proximity to a settled portion of Manchuria, soon began to develop. From the commencement of 1880, more especially, its growth became notably rapid in consequence of the expansion of gold-mining in the region, and the immigration movement into the plains of the Bureya and Zeya.

In many ways Blagoveshchensk is a notable little town, especially when it is remembered that it has heretofore had to depend solely upon the river for its communication with the outside world. The town possesses thirty odd mills and factories, including two

iron foundries, breweries, steam flour-mills, tanneries, rope factories, and saw-mills. There are more than twenty educational establishments and a capital little public library having more than ten thousand volumes, with free reading-room and museum. Three or four daily papers are published, the best known being the *Amursky Krai* and *Echo*. Immediately opposite Blagoveshchensk, on the right bank of the Amur, is the growing Chinese town of Sakalin, which is also attracting a respectable Russian population. The Chinese residents, in their turn, not infrequently affect Russian manners and customs. In some cases the guest-rooms of the more well-to-do citizens are furnished in European style and contain one or two musical instruments, usually a piano on which the aspiring owner occasionally tries to play a simple Russian national air with one finger. At Blagoveshchensk are branches of the Russo-Chinese Bank, the Imperial Russian Bank, and the Siberian Commercial Bank, and there is also a city bank. Twenty big trading firms and one hundred and fifty odd smaller establishments account for an annual turnover of about ten million roubles (£1,000,000). The town has two or three theatres, in one of which a cinematograph is constantly installed. Amateur theatricals are also popular, and quite a competent little company gives occasional performances, one of which I attended in the theatre of the City Hall. The play was called (*anglicé*) "The Deluge," and was apparently an adaptation from an American original, seeing that the principal scene took place in a saloon, where the

guests partook of "soda-wheeskees," cocktails, and so forth. The barman bore a name which the Russian actors pronounced "Char-r-r-lee." Life is not always safe at Blagoveshchensk. The escaped convict element is far too frequent to be agreeable, and "hold-ups" figure frequently in the "Khronika" of the local papers. Returning home from the theatre and passing a policeman, our presence was signalled by the latter to his colleague on the next beat so that he might have an eye to our safety. Save in the purely "down-town" district, it is not advisable to be out-of-doors late at night alone and unarmed. Nevertheless, things are on the mend. Lawlessness was terribly rife in the wake of the Russo-Japanese War, when the country became flooded with camp-followers, all eager to earn a dishonest kopek, but conditions are gradually returning to their normal course, and in time, no doubt, these numerous "expropriations," as they are euphemistically called in Russian, will grow rarer. At present few parts of Siberia are free from these crimes of violence. It is interesting to note, by way of comparison, that in Japan, too, since the war, robberies and murders have increased alarmingly in the larger towns and cities.

During my short stay at Blagoveshchensk I made the Grand Hotel my headquarters. Here for three roubles fifty kopeks a day—without food—I obtained a very cheerful and comfortable room. On the subject of accommodation generally for the traveller in East Siberia, I personally found it better than I had expected. Almost everywhere the food was excellent,

even in places where other details left much to be desired. The one serious drawback in Siberia is the indifferent sanitation. Not to put too fine a point upon it, the lavatories are not in all cases scrupulously clean. Baths in the hotels are also the exception and not the rule, this defect being attributed to the absence of water-works in East Siberian towns. There are special bath-houses for those who care to patronize them, and, of course, private residents have their own bath-rooms, but owing to the severity of the winter which freezes the water and bursts the water-pipes, unless some special heating apparatus is installed, it is only the comparatively wealthy residents who can afford a luxury which in milder climes is deemed almost an everyday necessity. The Russian peasant is often thoughtlessly accused of being dirty. When it is remembered, however, that in these latitudes a bath means a positive outlay in hard cash, with which the Russian peasant is not as a rule over-burdened, the critic's horror should at least be chastened. When the mercury registers fifty or so degrees below zero, Fahrenheit, and specially heated premises are required to bathe in, not to speak of the difficulty of procuring water and keeping it at a reasonable temperature in sufficiently large quantities, is it surprising that public and private bath-houses are not quite so common as in Japan, where the country has rather too much than too little water, and where all the appliances necessary for a bath are a tub, water, charcoal to heat it, four thin, wooden walls, and a roof to keep out the rain? It is, moreover, asserted by those thoroughly familiar

with the Siberian climate, that frequent bathing in water is by no means a good thing for the health, since it opens the pores and exposes the subject to the risk of catching cold. In the summer, on the other hand, the Russian Siberian is as fond of water as anybody.

I could devote a chapter to a detailed description of the many quaint types of wash-stands with which I had to struggle during my Siberian experiences before I could learn their secret. At Chita, for example, the tap did not turn, but consisted of a spring knob which had to be pressed from beneath, while the bowl was destitute of a plug. On my first attempt to draw water, the tap emitted a stream which wet everything in the vicinity save the inside of the bowl. The physical and mental gymnastics I performed during the ordinarily simple process of washing my face and hands would have been interesting and amusing to a hidden spectator, and it was only on the last day of my visit that I learned from Mr. Volkoff, my Douma deputy friend, the ridiculously easy explanation of the seeming mystery. All that was needed was to press the tap with the joined palms of both hands from below, in which manner the grateful fluid could be scooped up in handfuls until further notice. Mr. Volkoff pointed out that, from the Russian standpoint, this was a cleaner method than that of washing the hands and face in a bowl filled with water, which must get dirtier every time it came in contact with the hands and face! Thus we see how travel broadens the mind. Again, on the Amur River steamer *Irtish*, which carried me to Blagoveshchensk,

I made the acquaintance of a wash-stand which, at first sight, impressed me as quite hopeless. So far as I could see, there was no tap, no plug, and, in short, no possible means of tempting a flow of water. Happily, just as I was reduced nearly to desperation, I recalled a former Irkutsk experience in this regard, and, bending my troubled gaze a little lower, I detected a sort of pedal projecting from the bottom of this diabolical contrivance, and as the result of a subtle concatenation of ideas, ascertained that by pressing steadily with my foot upon this pedal, a thin jet of water would flow into the bowl. All that was then left for me to do was to catch the precious drops before the supply gave out, as it sometimes did at the wrong moment.

At Irkutsk, on the occasion mentioned above, something had gone wrong with the machinery, and in order to draw sufficient water to complete my somewhat primitive toilet, I had to play a sort of allegro measure upon the pedal throughout the process, the water ceasing to flow the moment I relaxed my strenuous efforts.

Those who contemplate a visit to these regions must also remember that the ordinary Russian hotel, as hinted earlier, does not supply the traveller with bedding, towels, and items of this nature, without extra payment. The Russian as a rule carries his own bedding with him and is thus independent of this mild system of fleecing. The house furnishes the bed and mattress, and as the room is heated with the gargantuan Russian stove called a *pech*, steam, or

A TYPICAL *Podvorye*, OR HOSTELRY IN SIBERIA

SMALL STATION ON TRANS-SIBERIAN RAILWAY BEYOND LAKE BAIKAL.

hot water during the winter, and is warm enough in the summer, all the bedding required consists of a blanket, sheet, and pillow. The average Englishman prefers to sleep beneath a small mountain of blankets in a cold room, but the variety of cold to which we are accustomed in England is not exactly that of Siberia, and the Russian therefore prefers to sleep in a heated room under one blanket. To the chance visitor, moreover, a Siberian hotel is the apotheosis of dullness for several other reasons. The management does not provide a billiard-room, bar, reading-room, or lounge where strangers may congregate and kill time pleasantly, when they have nothing better to do—a contingency which not infrequently befalls even the wealthy tourist. The typical Siberian hotel rents to its patron a "nomer," or room, for so much a day; food is extra and may be taken in one's own room or in the restaurant, if one is attached to the premises. The majority of Russian hotel guests, more particularly married couples or their equivalents, seem to prefer the former arrangement, and the thrifty housewife can effect no small economy by bringing her own tea, butter, bread, and other incidentals, merely hiring the samovar from the hotel. The following translation of the rules of a first-class Russian hotel at Vladivostok will give readers a better idea of the system than pages of explanation:—

1.—Any guest occupying a room for less than twenty-four hours must pay for the full twenty-four hours.

2.—Any guest occupying a room for an hour more than twenty-four hours must pay half the charge for

that time extra, and if the room is occupied for more than an hour, he must pay for an additional twenty-four hours.

3.—Guests without baggage or belongings must pay in advance for their rooms.

4.—Every occupant of a room must at once deposit his or her passport with the office.

5.—Bills must be settled every three days; otherwise the room must be vacated without delay.

6.—Payment for broken or damaged property belonging to the hotel must be made instantly.

7.—Commissions are fulfilled only up to midnight.

8.—The electric light is extinguished at midnight.

9.—It is forbidden to sleep on the sofas or other furniture, and should this rule be disregarded, extra payment, as for an extra bed, will be demanded.

10.—Complaints against the servants, etc., must be addressed to the office.

Prices:

Dinner of four dishes, one rouble; of three dishes, 85 kopeks; of two dishes, 70 kopeks; samovar, 20 kopeks; portion of tea, 15 kopeks; portion of sugar, 25 kopeks; glass of tea, 10 kopeks; with lemon or milk, 15 kopeks; glass of black coffee, 25 kopeks; coffee with milk, 30 kopeks; glass of chocolate, 50 kopeks; bottle of seltzer water, 15 kopeks; bottle of lemonade, 20 kopeks; Tansan, 30 kopeks; bottle of bread *kvass* (a Russian temperance drink), 20 kopeks; sheets, 20 kopeks; towel, 10 kopeks; pillow-slip, 10 kopeks; one candle, 10 kopeks; extra bed, 50 kopeks; bath (which I could never find), one rouble; for

every commission given to the commissionaire, 25 kopeks; for each extra cover without *zakouska* (preliminary refreshments), 25 kopeks.

It would surprise a Senior Wrangler how these ostensibly trifling charges can mount up at the end of a few days' stay. Speaking generally, charges for meals are reasonable and less than in Japan (with the standard of which I am most familiar), except in the case of fruit, which is inevitably expensive in Siberia, though far cheaper now than before the days of the Chinese Eastern Railway, when it was scarcely ever seen, much less eaten. Nevertheless, at a Harbin hotel, I had to pay 75 kopeks (say 1/6) for a compote! *Table d'hôte* meals must be regarded as distinctly cheap for the Far East, whereas those *à la carte* are apt at times to make alarming inroads on the pocket. As for tipping, although one has not to fee three waiters for a cup of tea—as a veracious friend of mine once told me was the rule at Vienna—none the less the Siberian has a fairly well-developed appetite for gratuities. On the railway the rule is supposed to be 20 kopeks for each piece of hand luggage, or twenty for the first piece and ten for every additional piece, for conveyance from the train to the *izvozchik* outside, or *vice versâ*, heavier luggage being charged for in proportion. In practice, however, especially when the porter (*noseelshcheek*) knows that he has a greenhorn to deal with, one as often as not pays forty and fifty kopeks for two pieces of hand luggage. There is also a fair amount of bad money knocking about in East Siberia and Manchuria, and one has to be on the look-

out for pewter roubles and spurious notes. I was more than once victimized myself and can therefore speak feelingly on the subject. At a good hotel, for a few days' stay, the *shveitsar* (hall porter) expects a rouble, the chamber-maid the same or a little less, the lackey who answers the bell and serves the meals in one's room, a couple of roubles. There cannot be said to exist any fixed custom in this regard; everything depends upon the means or liberality of the individual. It would be easy to pay less than the sums mentioned above, and equally easy to pay far more, but if the guest pays no less he cannot be accused of being niggardly. In the restaurant a tip of twenty or thirty kopeks for every substantial meal is ample, while for light refreshments ten kopeks are sufficient. It must be added that the Russian is a liberal tipper.

At Blagoveshchensk I enjoyed the hospitality of a well-to-do family whose revenues were derived from gold-mining, and from their explanations and the literature with which they furnished me, I gathered a good deal of information about the systems in vogue throughout the gold-mining regions of Siberia. The most promising gold-fields in the country nowadays are said to be those in the Maritime Province, on the shores of the Sea of Okhotsk, the returns of the bigger companies elsewhere showing for the most part an appreciable decline during the last few years. The majority of the workings are situated in the midst of the Siberian bush, or *taiga*, as it is called, and are hard to reach, especially in summer. The path through the bush crosses marshes, by means of fascines, and

penetrates dense forests, progress often being retarded by masses of fallen trees, which embarrass even the hardy and well-trained horses used on these journeys. The journey may be made on horseback or on what is known as a *volokusha* consisting of two long poles, the upper ends of which are fastened to the yoke or horse-collar, and the lower ends of which trail along the ground. Between the poles is fixed a seat resembling a cradle. Every twenty or thirty miles are stationed *zimovya* (plural form), or winter huts, which are built in clearings for the purpose and comprise quarters for the men, stables, and other primitive conveniences. On all sides one sees dirt, discomfort, and decay, though I believe some improvement has taken place during recent years. As it is impossible to travel at night through the *taiga*, the party has to sleep at the *zimovye* (singular form).

The diggings are situated in a valley between hills which are watered by small rivers and streams, and in proportion as the owners are wealthy capitalists or private individuals in a small way of business, the accommodation provided for the men varies from a mere heap of blackened or entirely new wooden buildings—premises for those engaged in clerical work, a stable, bath-house, and quarters for the workmen—to an entire settlement with a church, well-equipped hospital, sometimes even a school, all well and strongly constructed. Before the diggings are started, the prospecting party carries out an examination of the valley, digging deep, square pits at intervals in order to test the thickness of the peat beds, the alluvial and non-

gold-bearing strata, and the extent, direction, and richness of the gold-bearing layer. When these trial diggings are made in the autumn, the water is pumped out with simple hand-pumps, but in winter freezing takes the place of this method. In other words, as soon as water makes its appearance, it is allowed to freeze and is then gradually thawed out, the digging continuing until the presence of gold is detected. While the water is freezing the excavation has to be protected from snow. The final result takes the form of a deep ravine or gulley composed of these successive cuttings, the depth of which varies considerably.

Some of these diggings measure nearly half-a-mile in length and may be several hundred feet wide. The sides of the ravine, so to speak, descend in several rows of ledges which grow ever narrower as the workings proceed. The "sand" is conveyed to the gold-washing machine which overlooks the ravine like the scaffolding of some strange building. When the thickness of the peat or turf bed is excessive in proportion to that of the gold-bearing stratum, the auriferous sand is reached by means of horizontal tunnels driven into the side of the ravine, or by means of shafts sunk into the earth. From the principal tunnels radiate smaller tunnels which are indicated by numbers. Before these lateral corridors are worked they are supported by underpinning to prevent caving-in, and the earth is then gradually removed in wheelbarrows over a rough plank flooring, frequently covered with water, to the exits, where it is dumped into *tarataiki*, or two-wheeled carts, and conveyed

GOLD-MINING SCENE, EAST SIBERIA.

RACIAL TYPES IN EAST SIBERIA.

to the gold-washing machine. This excavation work goes on the whole year round, but the washing of the auriferous sand taken out of the diggings is confined to the summer months, when the water does not freeze. The wealthier gold-mining companies in the Amur region have substituted horse-power for the wheel-barrows used to remove the sand in the poorer diggings; while light railways, endless steel cables, and other mechanical devices contribute materially to the speed and ease with which the work is carried on.

The gold-washing machine mostly installed in the East Siberian diggings is operated by water power by means of overshot wheels, as they are technically styled. The water is diverted to them in ditches or along wooden gutters, which latter are carried on piles, sometimes at a height of fifty feet above the valley, from the neighbouring river to the machine. The sand is carried to the flat roof of the machine and there dumped down a hatch, whence through pipes it falls into an enormous iron cask perforated with small holes and connected with the hatch. This cask, fastened to a wheel, which is set in motion by water, revolves like a mill-stone, whereupon the washed sand, pebbles, and gold, which are carried off by the water from the movable pipes at the back of the cask, pass through holes and travel along the sloping floor of the machine to the sluice. The sand is carried by the water into the sluice and falls into a special receptacle, the gold, as the heavier substance, remaining in the upper part of the sluice under iron sheets or wooden cross beams in the form of a grating. Here, however,

the gold is still mixed with the sand and shingle, and has to be washed in a "buddle," where it is finally cleansed from all foreign bodies. The buddle is a rectangular-shaped box, nearly six feet wide, in the upper part of which is fixed a board partition. Into this compartment water is carried from the stream, and over the edge of the partition evenly flows into the buddle where the gold is lying. The water carries away the remnants of the sand, and the remaining impurities are separated with magnets, the fingers, and shovels. After being thus washed in the buddle, the gold is dried and taken to the mining office, where it is weighed and the amount entered in a special book.

The working staff of a Siberian mine is decidedly motley, comprising as it does such elements as exiles, peasants belonging to the country, peasant immigrants, old and young, Russians, Tartars, Circassians (Cherkes), Poles, Kirgis, Bouryats, Chinese and Koreans—the latter more especially in the province through which I was travelling. The men are hired on contract for the whole year, and are usually allowed, in addition to their monthly salary, a certain quantity of flour, tea, meat, butter, etc., together with a little over two pints of diluted spirit daily. The working day in the Siberian diggings begins at three o'clock in the morning and lasts fourteen or fifteen hours, with two intervals for tea and dinner. There are comparatively few big mining ventures, whereas there are many workers on a small scale, who borrow money from the wealthy companies in order to establish themselves in business, their profit in the end being infinitesimal.

ESCORTING GOLD, EAST SIBERIA.

PROSPECTING IN EAST SIBERIA WITH REINDEER.

As a matter of fact, in many cases, the so-called diggings of these worthies are merely a blind to conceal their real purpose which is simply to carry on the secret and contraband sale of spirits to the workmen of some rich neighbouring diggings, from whom also they are in the habit of buying stolen gold. In remote parts of the *taiga* may be found independent companies (*artel*) or guilds of wandering gold-seekers, who usually work on old abandoned diggings. The mining authorities pursue these people as gold thieves (*khishchiki*), but it is significant that nearly all the really big discoveries of gold have been made by such free-lances.

Intemperance is terribly rife among the miners of Siberia, and this weakness has given rise to a perfect trade in contraband vodka, which spirit, of course, is a Government monopoly. The big profits to be made in this business have attracted the bolder and more lawless elements of the region, who are classed as "spirit-carriers" (*spirtonosi*). The miners purchase their favourite beverage with stolen gold, so that theft is promoted on the one hand and smuggling on the other. This illicit trade is severely punished and finds employment for many Cossack detachments, but owing to the nature of the country and the cleverness of the *spirtonosi*, its extirpation is almost hopeless. It must also be admitted that the influence of the diggings on the morals of the men and on those of the neighbouring population is not of the best. Seeing that the majority of the men in this employ consist of the convict class, debased and corrupted

during the term of their imprisonment and subsequent nomad life, their example has the worst possible effect upon their companions, who are seduced by the wild orgies in which these case-hardened specimens indulge on leaving the diggings, and become in their turn speedily addicted to gambling and drinking. A special name has been given to the reckless and dissolute men who lead this kind of life. They are known in local parlance as "Ivans" ("Johns"), whence is derived the verb *ivanitsya*, *i.e.*, to behave like an Ivan. It may well be doubted whether the gold-mining industry is an unmixed blessing to Siberia, for it is certain that the concentration of capital therein has had the result of relegating many other valuable minerals, with which Siberia abounds, to a second place.

SCENE ON AMUR RIVER.

COMPANY OF RUSSIAN INFANTRY LANDING AT AMUR *Stanitsa.*

CHAPTER VII

ON THE AMUR RIVER AND BEYOND.

From Blagoveshchensk to Khabarovsk—On Board the Mail Steamer—Sketch of Khabarovsk—Classic Mud—Some of the Sights of the City—A Remarkable Russian Journalist and Ex-Chinovnik—His Views on East Siberian Politics—Travelling on the Amur in Winter—From Khabarovsk to Vladivostok—The Ussuri Railway—Points of Interest along the Route—The Nikolaevsky Monastery—The Town of Nikolsk-Ussurisky—The Tide of Immigration—Conditions under Which Newly-arrived Settlers Are Required to Live—A Gloomy Picture—Immorality and Depravity of Life in Settlers' Barracks—A Painful Tragedy—Crying Need for Reform—Natural Wealth of the Ussuri Region and Maritime Province Generally—Fruit-Growing and Bee-Farming—Effect of Protection.

From Blagoveshchensk, the next stage of my journey was to Khabarovsk, about 918 versts, and I travelled by the handsome and well-appointed mail steamer *Tsesarevitch*. I have already furnished the reader with a brief description of the accommodation to be found on board these steamers, and need not therefore go over the same ground. I may add, however, that for those who do not speak Russian or who can afford the additional expense, the first-class is to be recommended as more likely to bring them in contact with Russians familiar with some other foreign language than their own, though English is very rarely spoken. The first-class is also more interesting because the passengers frequently gather in the saloon for cards, music, and conversation, which are less usual in the second-class, where many of the passengers prefer to take their meals in their state-rooms at their own

expense. This second stage of the Amur River trip passes the Khingan Mountain range alluded to earlier. The scenery here is of the most beautiful description and would require the brush of a Turner or the pen of a Ruskin to describe.

From a journalistic standpoint the company proved less interesting and diversified than on the little cargo steamer from Stretensk, but there were several exceptions, one being a middle-aged official of some sort, travelling with his family to Khabarovsk. He was a genuine Jew-hater, a subscriber to the *Novoe Vremya*, a profound admirer of Stolypin and the Kaiser (in the latter respect joining issue with the *Novoe Vremya*); with a deeply-rooted antipathy to Count Witte, and entertaining a fervent hope that at some future date Russia would be able to turn the tables on Japan and drub her soundly for the disasters she inflicted on Russia in the late war. In conversation with this man, and at other times noting the affection he displayed for his wife and children, I fully realized that a certain type of Russian may justify the *pogrom* and still possess numerous copybook virtues.

Below Blagoveshchensk the first point of peculiar interest at the present juncture is undoubtedly the Chinese town of Aigun, on the right bank of the Amur, forty-one and a quarter versts further down the river. It is in the province of Heilungchiang and connected by road with the town of Sakalin, already spoken of. It is a Chinese citadel, the seat of a Chinese Governor, and the Admiralty administration of a supposititious Chinese flotilla. Most of the

houses are of one storey, constructed of brick or clay, and thatched with straw. The population may be twenty thousand or more, among whom are counted a good many Mohammedans, who have their own mosque and school. The chief commodities of trade are corn, mustard, tobacco, and butter. It was at this place that on May 16th, 1858, the Treaty of Aigun was concluded, whereby Russia secured unqualified possession of the left bank of the upper and middle Amur, and both banks of the lower part of the river. Some of the biggest Cossack settlements and villages are found between Blagoveshchensk and Khabarovsk, such as Poyarkovo, Chesnovsky, Radde, Yekaterino-Nikolskaya, Pouzinovskaya, Blagoslovennoe, Ventselevsky, Mikhailovo-Semenovskaya, and Golovinsky. Blagoslovennoe, 1,732 versts from Stretensk, is a highly-interesting spot at the mouth of the Samara, where it was established in 1871 by Koreans from South Ussuri. Although these people are all Orthodox, they still retain their own language, costume, habits, and methods of agriculture. The village contains a church, school, granary, and post station. A single glance is sufficient to confirm the difference between Blagoslovennoe and the usual type of Russian settlement on the river. The former is composed of numerous diminutive houses which are all divided by sections of cultivated land. Streets and cross-roads pass between the fields. All these houses (*fansi*) are built of plaited branches, covered outside and inside with a thick coating of clay. Each *fansa* is surrounded by a small courtyard with miniature outhouses,

which are kept in exemplary order and comparative cleanliness, while the cultivation of the land is of the most thorough and painstaking description, in which regard it can give many points and a beating to the Cossack system of agriculture. In spite of the fact that the *per capita* allotment of land is hardly more than five or six acres, thanks to the skill with which these Koreans work their holdings, they are able to live in comfort. Yekaterino-Nikolskaya is 1,692 versts from Stretensk and dates from 1858, its name being derived from the patronymic of Countess Yekaterina (Catherine) Nikolaevna Muravieff-Amursky, wife of the great pioneer and statesman. It has a population of well over a thousand, two or three schools, a post and telegraph office, and meteorological station. There are also an armoury for the troops, a granary, and salt warehouse, and here, too, is situated the Staff of the Amur Cossack Division. In fact, this settlement ranks without doubt as the best among the *stanitsi* of the Amur Cossack troops, judged both by its outward appearance and material welfare. The *stanitsa* Radde is most picturesquely situated on the level bank of the river, with a background formed by part of the Khingan Mountains. It takes its name from the well-known naturalist, G. I. Radde, who spent the whole of 1857 in scientific researches near the spot. A typical Orthodox church is a conspicuous object in the foreground. A military arsenal has also been established here. The superb stretch of the river known as the Mali-Khingansky Khrebet, or Little Khingan Chain, starts thirty-five versts further

up-stream, but lower down than Pashkovsky, which is 1,536 versts from Stretensk. About a hundred versts beyond Aigun, on the Russian side, the *stanitsa* Poyarkovo is also reckoned among the more flourishing Cossack settlements, with a *stanitsa* administration, post and telegraph office, a school, granary, shops, salt warehouse, armoury, quarters of one of the chiefs of the Branch of the Amur Basin Waterways, etc. The Sungari flows into the Amur 1,826 versts above the Goldi settlement of Mokhanko. Opposite the mouth of the Sungari there is an enormous expanse of islets formed of the alluvium deposited by the two great streams at their confluence. The waters of the Sungari, as they flow, so to speak, alongside those of the Amur, may easily be distinguished from the latter by their yellow muddy colour, which is due to minute particles of clay. Near the *stanitsa* Mikhailovo-Semenovskaya the Amur is fully ten versts wide. A spacious archipelago of islands opposite the Ussuri River constitutes a neutral zone between the Chinese and Russian Empires.

We reached Khabarovsk on September 29th, at seven p.m., when it was already dusk, thus missing the fine view of the city from the deck of the steamer, for Kharbarovsk is very effectively situated on three hills in terraces, rising high above the water at the confluence of the Amur and Ussuri Rivers. The city seems to repose in an ocean of green foliage, and even in the gathering darkness it was possible to discern the outlines of the handsome monument to Count Muravieff-Amursky, which stands upon the brow of a

promontory overlooking the river. Khabarovsk was founded in 1858 by Count Muravieff-Amursky, then Governor-General of East Siberia, and was at first named Khabarovka, after the celebrated Cossack conqueror, Yerofei Khabaroff. Favoured by its situation at the parting of three navigable routes formed by the middle and lower Amur and its tributary, the Ussuri, the place made swift progress and was promoted to the rank of a town in 1880. At the same time the provincial administration of the Primorsk was removed thither from Nikolaevsk, but in 1883, when the Priamur region was made into a distinct Government-General, the residence of the Governor-General of the Priamur was established here, and the town was renamed Khabarovsk. To-day, therefore, Khabarovsk is the military-administrative centre of the region, wherein are situated nearly all the chief military and civil offices of the province. There are popularly supposed to be more Generals to the square inch in Khabarovsk than in any other part of East Siberia. The latest unofficial census of the population is over fifty thousand, but I have an idea that many of these estimates are exaggerated. Although Khabarovsk can boast of several rather pretentious buildings in the effective Russian style of architecture, and although the town enjoys one of the most picturesque sites in Siberia, its streets, in wet weather—and it was wet throughout my stay there—are the muddiest I have ever seen in the course of a fairly active life in several climes. When I say the worst, I speak, of course, of towns ostensibly designed on the European model. In

S. S. *Tsesarevich*, AMUR RIVER MAIL BOAT.

PRINCIPAL STREET OF KHABAROVSK.

a notoriously muddy land, Khabarovsk is, I should say, almost without a peer; its mud is classic. As at Stretensk, here, too, I nearly lost my goloshes in trying to cross the road, being obliged in the end to carry them in my hand and wade ankle deep to the opposite shore, where an old-stager, seeing my woful plight, grinned broadly and said :—"Well, now, you see what our Khabarovsk roads are like—is it not true?" (*Vot, teper vwi veedete chto takoe nashi dorogee v' Khabarovskye, nye pravda lee?*) I assented promptly and feelingly with the choicest Russian swear-words in my vocabulary. At Khabarovsk they even tell the story, supposed not to be merely apocryphal, of the policeman who fell into a mud-hole over head and ears, and was rescued from suffocation only in the nick of time. Some years ago an attempt was made to pave the chief thoroughfare, Mouravyovo-Amurskaya Street, but owing to the soft subsidiary soil the granite sets were speedily engulfed in an ocean of ooze, and nowadays scarcely a trace remains to tell the tale of this outburst of municipal enterprise. The settled area of the town covers about three thousand acres, including fifty odd miles of streets and nine public squares. As in other Siberian towns the footpaths are of wood. There are six Orthodox churches, four meeting houses of the same faith, one Roman Catholic church, one Jewish synagogue, and one Chinese temple. Until 1906 the only city lighting was by means of kerosene oil lamps, but latterly these have been to a large extent replaced by electric lights, and the central districts are quite respectably illuminated. As

at Chita and some other Siberian towns, notably Irkutsk, the Imperial Geographical Society has a museum and library with free reading-room. The museum well repays a visit since it contains excellent collections of the marvellously prolific insect and animal life of the Amur Province, together with some very fair exhibits designed to illustrate the manners and customs of the aborigines. The section devoted to the mining industry of the province is decidedly helpful to those who have no time to pursue first-hand investigations. There are also many curious relics of the Boxer campaign, both Russian and Chinese, one being a huge Cossack sword with which the owner cut a Chinaman clean in half at the waist. There are but four middle schools in Khabarovsk as against a dozen or so churches, the list comprising a girls' school, a cadet corps, railway technical school, and a professional school; with perhaps half-a-dozen elementary schools of various kinds. Living is expensive, a house of from five to eight rooms costing from seventy-five to a hundred and fifty roubles a month, while single rooms range from fifteen to thirty roubles a month.

During my short stay at Khabarovsk I made the acquaintance of the proprietor and publisher of the leading morning paper of the town, the *Priamurye*, Anton Petrovitch Silnitsky, a rather remarkable character in his way. From third parties I learned something of his history. He was at one time a Government official and for several years even edited a Government organ. In 1903 he was

sent to Kamchatka in the capacity of chief of the Petropavlovsk district, and at once began to turn his attention to the unconscionable manner in which the natives were being exploited by the Russians and other foreigners. In the expressive language of the time, it was only the lazy local officials and merchants who did not rob and abuse them. Under Mr. Silnitsky's stern supervision, valuable skins, which previously had been bought for ten and fifteen roubles apiece, were now sold by auction at prices ranging from seventy-five to one hundred and twenty-five roubles each. He closed down the drinking saloons and forbade the merchants to sell spirits to the natives. The Russian inhabitants took alarm and a deluge of complaints against Mr. Silnitsky poured in on the Governor, who ordered that the saloons should again be opened. Mr. Silnitsky, however, refused to surrender and continued to protect the natives. Thereupon the officials of the Petropavlovsk district held a meeting and declared that Silnitsky was insane! The spiritual authorities then decided to remove the "patient" from the town. About this time, too, a certain American, whose business interests had also been affected by the resolute and conscientious conduct of Mr. Silnitsky, notified Von Plehve that the district chief had gone out of his mind and was terrorizing the local population. Von Plehve commissioned one of Silnitsky's personal enemies, Grebnitsky, at that time in America, to proceed in an American steamer to Kamchatka and investigate the matter. Grebnitsky, however,

without any inquiry whatsoever, deposed Silnitsky and removed him to Okhotsk, whence he proceeded to Irkutsk *en route* to St. Petersburg, with the intention of explaining his conduct. On the very day he was preparing to leave Irkutsk, the local Governor Mollerius received from Nikolsk-Ussurisky a telegram from the Governor of the Primorsk, Koliubakin, to the following effect:—"Chief of Petropavlovsk district, Silnitsky, who is mentally deranged, now at Irkutsk on his way to St. Petersburg. Make arrangements to have him placed in a hospital for the psychically (*sic*) affected." Fortunately for Silnitsky, he found a friend and supporter in the director of the *chancellerie* of the Governor-General, one Gondatti, who assisted him to comply with the necessary legal formalities, with the result than he was declared to be perfectly sane. Koliubakin, the Governor of the Primorsk, was notified to this effect, and subsequently apologized to Silnitsky for the course he had taken, and in 1905 again despatched Silnitsky to Kamchatka to look after the very parties who had first made him out to be insane, and were responsible for his removal from office. During the war the reinstated district chief greatly distinguished himself by the skill and energy he displayed in organizing a band of volunteers for the defence of the coast against Japanese attacks. At the close of the war, however, he resigned from his post and returned to the mainland. For several years previously he had been gradually readjusting his political views in the direction of an ever-growing liberalism, and it was at

about this stage of his career that he founded the *Priamurye* at Khabarovsk, as a progressive morning paper. His connection with the town dates back fifteen years, and he is thoroughly familiar with the country and its economic needs.

Although his association with independent journalism is thus comparatively short, Mr. Silnitsky has lost no time in suffering for his outspoken opinions, having already paid upwards of five thousand roubles in fines, and spent several months in prison on account of so-called violations of the Press laws. Nevertheless, in referring to these little incidents in the life of a member of the Siberian fourth estate, Mr. Silnitsky betrayed no bitterness; he is the happy possessor of a keen sense of humour, and when discussing the shortcomings of the authorities he never failed to emphasize the ludicrous side of the picture.

"I have no doubt," he said, "that during your trip down the Amur you came across our river gunboats?"

"That is so," I replied. "I remember that my fellow-passengers sarcastically described them as the 'pride of Russia.'"

Mr. Silnitsky continued: "Everybody in the country, including the Japanese, no doubt, is fully aware of the existence of these boats and of their vain efforts to suppress the smuggling which goes on between the Chinese and Russian sides of the river. Everybody knows precisely how many of these boats there are and how strong they are. But in spite of this, nothing must be said about them in the papers on pain of fine or imprisonment. On one occasion I had

to pay a fine because our Irkutsk correspondent described an incident in which a certain drunken officer slightly wounded a comrade while trying to shoot the latter's cap from his head for a wager. My offence consisted in publishing matter injurious to the honour of the Army! The *Dalyokaya Okraina* of Vladivostok once got into trouble because it reproduced a speech delivered in the Douma by an opposition member from the Amur Province, although the speech had been reported verbatim by the St. Petersburg papers. Some time ago the Petersburg *Vyedomosti*, itself a pro-Government organ, published an article severely criticizing the Russian officers in connection with the Russo-Japanese War. I reproduced this article and was fined in consequence."

Obviously an editor's lot in Siberia and Russia is not usually very much happier than that of Gilbert's policeman. As an instance of the useless expenditure of public funds, Mr. Silnitsky told me that a technical commission for the investigation of a scheme of military roads in the province had been residing at Khabarovsk for several years past, each member drawing a handsome salary, but doing nothing, because there was no appropriation available for the prosecution of the work itself. The commission was in no way to blame. "Some of its members," he added, "are charming fellows. It's the system that is at fault."

Mr. Silnitsky concurred with the opinion which I had heard expressed in other quarters to the effect that the building of the Chinese Eastern Railway was a gigantic blunder, seeing that it has resulted in

diverting the enterprise and capital needed in East Siberia to Manchuria, where the chief beneficiaries are the Chinese, and where, in the very nature of things, there can be no guarantee of a permanent tenure. Siberia has suffered greatly in consequence, and even now, as Mr. Silnitsky said, a feeling of uncertainty prevails as to the steps actually contemplated by the Government with regard to the region, a feeling which unquestionably helps to retard progress in the right direction.

Mr. Silnitsky favoured the construction of the Amur Railway as a factor of immense importance in the future development of the country. He said, however, that the authorities were maintaining great and useless secrecy on the progress of the work, so that very little of a reliable character had so far been published. Curiously enough, while the truth is thus withheld from Russian subjects, Japanese agents have openly visited the zone and have doubtless made detailed reports to their Government on what is being done, and Japanese Consular officials have actually been escorted over the route by the Russian authorities themselves. The foregoing are but a few of the remarkable anomalies with which Russian official methods teem. Analogously, Russians at Vladivostok may not approach certain fortified zones in which, none the less, Chinese workmen, and doubtless disguised Japanese among them, are freely employed! The evidence of Japanese espionage in the Maritime, Amur, and Trans-Baikal Provinces is, in fact, so voluminous and persistent, that it would be fatuous to

ignore it or refuse to believe that these reports have a solid foundation in fact.

This account of travel by the Amur River would not be complete without reference to the system pursued in winter, when the Shilka and Amur are both frozen. In these circumstances, the bulk of the traffic is confined to the ice tract, the rocky and thickly-wooded nature of the country, as well as the comparative scarcity of snow, rendering communication by the ordinary roads almost impossible on sleighs. In many cases, although the actual post tract is on the river ice, the post stations are situated some little distance inland. A special rule exists forbidding travellers to drive their sleighs to these stations owing to the difficulty which the horses experience in dragging the vehicles over the heavy, sandy surface of the road. The custom, therefore, is temporarily to abandon the sleigh on the ice and to proceed on foot to the post station for rest and refreshments. No anxiety on the score of the safety of the travellers' property is felt, apparently, the local Cossack population, with rare exceptions, being remarkably honest, while it would be virtually impossible for a stranger to steal from the sleighs and escape undetected at such a season. It is interesting to note that a project has been mooted for the use of mail automobiles on the ice, between Blagoveshchensk and Khabarovsk. Each "train" would consist of a locomotive and a coach with accommodation for twenty-four persons, and there would also be a luggage and mail van. A petition for a six years' concession

was recently submitted to the authorities; but I have not heard what has been done with it.

I left Khabarovsk on the morning of October 1st, 1909, by the post, or mail train of the Ussuri Railway, for Vladivostok. As is by no means unusual in Siberia and European Russia, the station is situated several miles away from the centre of the town, the idea prompting this arrangement being that the centre of to-day may not be the centre of to-morrow, and that plenty of room must be left for expansion. Undoubtedly in a new country like Siberia there is a good deal to be said in favour of the plan, although from the standpoint of a traveller in a hurry it has its drawbacks, especially on a rainy day, as in my case, and over roads resembling those of Khabarovsk. If the mud in the main street of the city was awful, then words fail me to describe the condition of the purely suburban districts on the day in question. I honestly believe that only a Russian driver and a Russian horse could have pulled me and my baggage through such a slough. The Siberian variety of both appears to be largely amphibious and so, on this occasion, we splashed, jolted, heaved, hauled, pitched, rolled, and floundered to our destination, my driver sustaining a running stream of conversation with his partner all the way. On the road we passed at least two waggons bearing Japanese and their stock-in-trade in the same direction. When I paid off my *izvozchik* at the station both he and I, not to mention the horse and the carriage, bore honourable mementoes of the swashy, soggy ordeal to which we had been subjected. While

waiting for the moment of departure I toyed with a glass of tea, and found it amusing to watch how a diminutive Japanese woman bullied in their native tongue two strapping *noseelshchiki*, or porters, who were in charge of her luggage, and how submissively and good-naturedly these blonde giants obeyed her behests.

The journey to Vladivostok was uneventful. Starting from Khabarovsk about nine a.m., we reached the Russian port at 8.30 p.m. on the following day. Welcome animation was infused into the life "on board" by the presence of three decidedly pretty girls with a young student escort. Thanks to the curiosity of a burly Russian passenger, we soon ascertained that one of the party was a prospective bride bound for Vladivostok to meet her fiancé and there tie the nuptial knot. The burly passenger, with that familiarity which constitutes one of the charms of travel in Russia, point-blank opened up a conversation with the young ladies, and on the strength of the Pelion upon Ossa of hat-boxes and other appurtenances of the feminine toilet which cumbered the luggage rack, taxed them with sinister designs upon the liberty of some member of the sterner sex. With many giggles and blushes the young ladies were obliged to admit the truth of the soft impeachment, whereupon the burly passenger remarked: "Now, that explains why it is this train goes so slowly! You're the guilty ones, it seems. The train always goes slowly when there's a wedding party on board!" After that he spent a good deal of time in a lively argument with one of the

bevy of beauties, the subject of discussion being the comparative and respective merits of Khabarovsk and Vladivostok as a happy hunting ground for would-be brides in quest of bridegrooms. At Shmakovka or some other small station, in the buffet, I noticed that the waiter was—to my thinking—a Japanese of rather large proportions. As he gave me my tea and cake I put the question in Japanese: *Kimi, Nihon-jin ja arimasen-ka?* ("You're a Japanese, aren't you?") For a moment he appeared taken aback and then replied, *in Japanese*: *Iiye, Nihon-jin ja nai!* ("No, I'm not a Japanese.") I merely mention the incident because it had the charm of novelty and not because it deserves to be regarded as significant, seeing that the Japanese of both sexes fairly swarm nowadays in the Primorsk, and are entirely free from molestation of any kind. Perhaps this particular person had become a naturalized Russian, in which case, from a technical standpoint, his reply was perfectly correct if a trifle misleading, At another station I acted the part of a good Samaritan by standing guard over the luggage of a Japanese third-class passenger, wearing top-boots and *shapka*, or Russian fur cap, while he attended to some business for five or ten minutes. I met the same Japanese at Vladivostok some days later, at the post office, and he told me that life under the Russian flag suited him admirably and that he was doing very well in a worldly way, though I did not ascertain his special brand of popular exploitation. As a rule Japanese in this part of the world have ceased to excite much attention, albeit at Nikolsk-

Ussurisky I had occasion to observe that a group of Russian privates seemed deeply interested in the movements of two rather attractive samples of the genus *musume*, or Japanese girl. But this is a digression.

Although, of course, the trains on the Ussuri line are not in the same class as those on the longer trans-continental run, they are quite comfortable and are provided with excellent dining-cars, where meals can be obtained at reasonable rates. There are also well-appointed buffets at the larger stations, and those anxious to observe still greater economy can buy provisions from the buxom, rosy-cheeked peasant girls who wait at almost every station with a large and varied stock of supplies, the staples of which are hard-boiled eggs, milk, bread, roast chicken, etc., etc. For the sake of the experiment I invested in half-a-dozen eggs, which cost me exactly five kopeks, or about a penny.

The Ussuri Railway was leased by the Chinese Eastern Railway in 1906 for a term of twenty-five years, an arrangement which has facilitated in no small degree the carriage of passengers and freight from one system to the other. The distance between Vladivostok and Khabarovsk is 715 versts, and the line passes through some of the finest and most densely settled sections of East Siberia. Immediately after leaving Khabarovsk the adjacent country is wild and marshy. Beyond Krasnaya Ryechka, or Red River, the railway passes the Khekhtsiksky hills of the Sikhota-Alin chain, and thence descends into the Ussuri River valley.

The most important station in the northern section of the line is Vyazemskaya, beyond which, in an open plain, stretches a large settlement. Here, too, are a big locomotive depôt, workshops, barracks for the Railway Battalion, a church, and school. The passenger then has a fine view of the picturesque and rocky banks of the Bikina, the station taking its name from the river. Ninety versts further, is the station Iman which, prior to the opening of the northern section of the Ussuri Railway, was the terminus of the South Ussuri Railway, whence all freight consigned to Khabarovsk and all building materials for the Ussuri River wharves took the river route, in view of which a branch line was constructed from Iman station to the river of the same name. A big settlement has grown up here with hotels, saloons, Japanese, Chinese, and Russian stores. There is, in fact, a typical Chinese village in the neighbourhood, where the majority of the lower-class Chinese labourers have their quarters.

Seventy versts beyond Iman is the station Shmakovka, not far from which stands the famous Nikolaevsk Monastery of the Holy Trinity, on the left bank of the Ussuri, partly at the foot and partly on the slope of a hill, in a locality of exquisite natural beauty. This institution enjoys a high reputation among the inhabitants of the region, and attracts annually no fewer than four thousand pilgrims. A hundred odd monks live on the premises, and the monastery has its own workshops, a bindery, tailoring, boot-making, harness-making, coopering, wheelwright's, and joiner's establishments. Near the monastery are

mineral springs said to possess useful medicinal properties. Beyond this station the line again runs through a sparsely settled district, but nearing Yevgenevka it skirts the banks of Lake Khanka and crosses the Suifun and Leff Valleys, which are thickly settled by Cossacks and peasants and have attained a high stage of cultivation. About a verst from the Mouchnaya station and connected therewith by a branch line, is a large military flour-mill which supplies a large part of the Priamur military district.

One hundred versts from Vladivostok is the flourishing little town of Nikolsk-Ussurisky, which dates from 1866. It is favoured by its position as the junction between the Chinese Eastern and the Ussuri Railways, in a region of unusual fertility, and is, moreover, an important military station. The site of the town is part of an extensive plain watered by the Suifun, and in the distant past served as the abode of numerous nationalities and the scene of many sanguinary conflicts for supremacy. Historical tradition, in fact, records that in this neighbourhood there once existed an ancient Chinese kingdom known as "Bokhai," and that tradition does not lie in this case would seem to be proved by the presence of a few ruins apparently of great antiquity. On the site of this extinct kingdom, doubtless many centuries later, an empire of the Manchus was set up, only to be obliterated in its turn by the hordes of Genghiz Khan. To-day this plain is one of the principal centres towards which the wave of Russian immigration is constantly rolling. In 1866 nineteen families from

the Astrakhan and Voronezh Governments founded the original settlement of Nikolsk on the left bank of the Suifun, two versts higher than the mouth of the Souputenka, near a tributary of the latter named the Pakovka. In 1868, however, a band of Hunghutzes, formerly engaged in the contraband acquisition of gold on Askold Island, near Vladivostok, from which they were expelled by the Russian authorities, in revenge for this treatment set fire to Nikolsk and destroyed it utterly. When order had been restored, the former residents, who had sought safety in flight, returned to the same place, and the village, like the proverbial phœnix, rose from its ashes on an even larger scale. As a railway junction and military post, the town naturally bulked very largely in the life of this district; a pretentious church was built and, as a contrast, a military village (*slobodka*), with many official structures, quarters for married officers, etc., sprang into being. The advance of Nikolsk received another impetus from the construction of the Ussuri Railway, and its rate of progress was still further accelerated by the linking-up of the latter with the Chinese Eastern Railway at this point, whence it crosses the Chinese frontier at Pogranichnaya, 108½ versts from Nikolsk. At Nikolsk are stationed the headquarters of the Commander of the troops of the South Ussuri Division; the First East Siberian Rifle Brigade; Third, Fourth, and Fifth Battalions of Sharpshooters; the Second Battery of the East Siberian Brigade of Sharpshooters; the First Mortar Battery of the East Siberian Artillery Brigade; the

Ussurisky Cavalry Brigade; and the First Regiment of Trans-Baikal Cossacks. The population of Nikolsk exceeds twenty thousand, which, however, includes many Chinese and Koreans.

There is still a good deal of unsettled land in the Ussuri region, and the complaint is also raised that the Cossacks make no practical use whatever of a large proportion of their holdings. Among the peasant settlers probably the very best element consists of Little Russians and immigrants who have come to the country of their own volition, independently of State aid, to seek their fortunes. The latter class of immigrant is known as *svoyekoshtnwi*, literally, one who lodges and boards at his own expense. As a matter of fact the assistance extended by the Government to the settler, apart from the grant of land, is necessarily so inconsiderable that reliance thereon must in the long run have rather a pernicious effect than otherwise upon the newcomer. Generally speaking, the conditions under which the immigration of large bodies of men, women, and children takes place in the Maritime and Amur Provinces, more particularly, are anything but ideal. It must be admitted that it is no easy task to cope with the distribution of thousands of immigrants at a time, but none the less the authorities cannot be acquitted of serious blame in connection with the arrangements for the temporary accommodation of these people, before they are allotted to their various sections. It is estimated that during the last five or six years more than a hundred thousand settlers have arrived in the

Ussuri region. Prior to their distribution the immigrants are housed in huge "barracks" at the various immigration stations, where they are usually obliged to spend two and three weeks, until the necessary arrangements can be completed. On arrival at one of these points, the father of the family proceeds to the section reserved for their use, there to build a house or find quarters for himself and family with previous settlers, until his own house can be built. In the interval, his wife and children remain in the barracks, where the surroundings are often of the most appalling description. These premises are usually so crowded that a space of seven or eight square feet is all that can be assigned to each family, with all their belongings, while the inmates of both sexes and all ages are heaped together at night on what are known as *narwi*, or wide boards such as are used in military barracks for the soldiers to sleep on.

The life in these barracks is in the highest degree unclean, disorderly, and demoralizing. Hundreds of persons from different parts of Russia are thus thrown together for the first time, and one inevitable result is inebriety of the most desperate description. Doomed for weeks to absolute inactivity, with no distractions of a healthy character, the women are exposed to constant temptation in the absence of their husbands. Soldiers and sailors and other riff-raff visit the barracks, and often succeed in overcoming the virtuous scruples of really well-meaning girls and women. When the husband or accepted lover returns from the section, he soon finds that he has been

deceived, and painful and violent scenes ensue as a matter of course. When the husband is strong-minded and of a philosophic disposition, he makes the best of a bad job and removes his frail better half from this corrupting environment with what speed he may, and he is fortunate if the incident ends there. In other cases, however, the consequences are far more serious, as in one instance recently reported by the Vladivostok papers, when a husband thus wronged revenged himself upon his wife by biting her nose off and beating her into a state of insensibility. It is certainly incumbent upon the immigration authorities to make better provision for married couples with or without families; these should not be herded and packed like sheep amid surroundings which inevitably encourage depravity. A young military medical student, whom I met on the Amur, gave me equally bad reports about the state of affairs in that region, and also stated that at many points there was an entire absence of medical aid, and that the hygienic and sanitary conditions ruling among the newly-arrived settlers were too awful for words. Some reform in this direction is imperative if the best results, which the potential resources of the country undoubtedly justify, are to be attained.

The natural wealth of this region is nothing less than stupendous, whether animal, vegetable, or mineral. The comparative humidity of the climate and the summer heat account for the luxurious nature of the second. The grass not infrequently rises higher than a man's head, and the hills and valleys are

covered with forests. Among the many varieties of timber found in Ussuri are lime, maple, cork, yew, fir, nut, pine, apricot, cherry, apple, poplar, aspen, white and black willow, elm, cedar, oak, ash, and spruce. There are numerous kinds of ivy and wild strawberries. The mountain ash, which is regarded as excellent for shipbuilding purposes, often reaches a height of a hundred feet, and the cork-tree seventy feet. The animal life of the country includes the deer, wild goat, tiger, bear, badger, elk, roebuck, lynx, pole-cat, sable, ermine, boar, otter, gray and red wolf, antelope, raccoon, wild-cat, squirrel, hare, and some others, while the bird-life is almost equally prolific, ducks, geese, and pheasants abounding. The mineral resources of the country have been referred to elsewhere. As then stated, some of the most promising mining ventures in Siberia are situated in the Maritime Province. The Ussuri River and its tributaries are famous for their fish, the *keta*, or Siberian salmon, and the run in autumn is so great that the fish in shallow places may literally be caught by hand, as in some parts of British Columbia. Unfortunately the method of preparing the catch for the market is said to be somewhat primitive, with the result that although *keta* is known and appreciated in European Russia, it has not yet won for itself the wide demand which its inherent qualities fully warrant. The fishing season lasts about a month, from September to October, and at its height the supply is so abundant that a hundred fresh salmon can be bought for two and three roubles, or at the rate of two and

three kopeks each—about a halfpenny! And these prices apply to fish which weigh from eight to ten pounds apiece.

The efforts that are being made to establish fruit-growing in the Maritime Province upon a business basis are not without interest. At Barabash, for example, growers have succeeded in cultivating an apple not inferior to the Californian, and it is hoped that ere long the local supply of this and other kinds of fruit will be sufficient to dispense with the import of foreign fruit, particularly the Japanese, which may be remarkable for cheapness, but certainly not for quality. Bee-farming, too, appears to have come to stay and has been taken up by the peasantry with great enthusiasm. Good honey sells in the province for eight and twelve roubles a *pood*, or thirty-eight pounds.

The baneful influence upon the prosperity of the Maritime Province exercised by the closure of the free port is dealt with separately, but it may be said here that the many indications of rapid commercial and industrial development which might have been detected shortly after the war, with the restoration of the free port, have since been rudely falsified by recourse to the policy of "protection." Strange that the home Government should be so solicitous to protect those who are particularly anxious not to be protected, and who incessantly complain that this protection is ruining them beyond redemption!

CHAPTER VIII

VLADIVOSTOK AND PROTECTION.

Sketch of Vladivostok—Great Improvement since the War—A "Live" Town in Spite of Closing of Free Port—Interview with Mr. V. Panoff of the "Dalny Vostok"—The Defenceless State of the Primorsk, the Amur and Trans-Baikal Provinces—The Amur Railway an Insufficient Guarantee—A Huge Army and Strong Fleet Equally Necessary as Safeguards against Japan—Japan's Real Aim less Offensive than Defensive—Japan Entrenching Herself in Korea and South Manchuria—Japan not Blind to Russia's Potential Strength on the Mainland—Guarding against all Eventualities—Russia Must Hold North Manchuria at All Costs—England and America Realize that Japan Has Taken the Place of Russia—China and the Chinese Eastern Railway—No Real Menace from China Save the Economic—Fatal Error of Closing the Free Port—Report of Vladivostok Bourse Committee on this Subject—Fierce Japanese Rivalry in Favour of Dairen—Advantages of the Southern Route—Vladivostok and the Amur Region Side-tracked—Japan Developing the Korean Market—Russian Policy Playing into the Hands of Japan—The New Korean Free Port of Chhyongjin.

Vladivostok before the great war seemed strangely remote from the average Anglo-Saxon reader, in spite of its high-sounding name which means "Dominion, or Rule of the East,"—a designation which will no doubt furnish inspiration for cheap wit in the case of those who know how to be wise after the event, but one, nevertheless, which might, under happier and abler auspices, have been justified by the verdict of history. The tragic events of the titanic struggle, whose echoes have not yet completely died away; the rôle which the ill-starred Vladivostok squadron played at one stage of the sea operations, until Kamimura caught it napping and sent it to the bottom; and the sanguinary riots which broke out in the town itself soon after

peace had been declared,—all these circumstances have helped to familiarize Westerners generally with the fact that there is such a place as Vladivostok on the map, and that it is yet destined to bulk very largely as a factor in the political and economic evolution of the Far East.

Founded fifty years ago on the south-western extremity of the Muravieff-Amursky peninsula, 487 feet above sea-level, as a military post, Vladivostok by 1862 had been promoted to the rank of a port, with the right of free trade in foreign goods. Ten years later, Port May, as Vladivostok was then called after the bay now known as the Golden Horn (*Zolotoi Rog*), still bore the stamp of a military settlement. The condition of the port at this period was in no respect enviable, its population consisting of the most undesirable ingredients, irrespective of the military. With the transference in 1873 of the chief ocean port from Nikolaevsk on the Amur to Vladivostok, the latter began to grow rapidly, and in 1880, when it was made a town and together with the rest of the peninsula a special military government, the population was 7,600. In the same year regular sailings of the Volunteer Fleet's steamers were opened between Vladivostok and Odessa.

In 1888 the provincial administration of the Primorsk was removed to the port, which was absorbed into the province. At the same time the post of Commander of the Port was created, and a year later the town was declared a fortress of the second rank. By this time the port had spread

VIEW OF VLADIVOSTOK CITY AND HARBOUR.

RUSSO-CHINESE BANK, VLADIVOSTOK.

seven versts along the eastern shore of Amur Bay and the northern and western shores of the Golden Horn. Its population was at least thirty thousand, including Chinese, Koreans, and Japanese, and it was already doing a big business with Korea and Manchuria. The entire foreign trade with the Priamur region had to be conducted through Vladivostok. The construction of the Ussuri and Chinese Eastern Railways still further contributed to the prosperity of the port, and to this period of its history must be traced the establishment of many of the more ambitious commercial enterprises which surprise a foreigner visiting the place for the first time.

The war and the subsequent military and naval *émeute* inflicted enormous damage, direct and indirect, upon Vladivostok, but with the restoration of law and order and the help of the free port, the future of the town appeared assured, in view of its advantageous position and ample harbour accommodation. Speaking from my own personal experience, I can say that the town has improved almost out of recognition since the war. The impressive chief thoroughfare, the Svetlanskaya, skirting the shore of the Golden Horn, and several other streets have been paved with granite sets; there are three or four theatres, a circus, clubs, city park, several hotels, an Oriental Institute for the study of Eastern languages, a Board of Trade, or Bourse Committee, a number of middle schools, barracks, a gigantic prison, and many other concrete indications of the fact that money has been freely lavished upon Vladivostok. Perhaps the most striking and charac-

teristic monument in the city is that dedicated to the Russian Admiral, Nevelsky, the corner-stone of which was laid by the present Tsar, then Tsesarevitch, when he visited the Far East in 1891. On one side of this pyramidal column are inscribed the famous words pronounced by the Emperor Nicholas, with reference to the exploit of Admiral Nevelsky, who may be said to have initiated the restoration of Russian dominion in the Far East, viz., "Where once the Russian flag has been raised, it must never again be lowered." (*Gdye raz podnyat russky flag, on uzhey spouskatsya nye dolzhen*). Fateful and ill-omened words, in the lurid light of subsequent history! A very handsome triumphal arch, close to the museum of the Russian Imperial Geographical Society, off the Svetlanskaya, serves to commemorate the visit of the Tsesarevitch himself.

To my mind Vladivostok, in spite of some obvious imperfections, among which must be instanced the absence of water-works and tramways—though these are talked of—suggests a "live" city more than any other port in the Far East. A certain type of Russian loves public display, and the horse traffic in Vladivostok would do credit to a city of half-a-million inhabitants, especially on a holiday, when the many officers attached to the garrison turn out in full dress, and the roadway is thronged with smart equipages driven at a breakneck speed by that prodigy and protagonist of horse-masters, the *izvozchik*. The streets of the port are suggestive of a switchback railway in configuration, so that there is plenty of scope for the driver to display the resources of his art.

The current of life at Vladivostok may not flow with quite the same swiftness as during and immediately after the war, but apart from the closing of the free-port, which policy I have examined more in detail elsewhere, the town is the gainer from the stern necessity of having to "find itself" and get down to some sort of rock bottom. The fact, however, remains, and it is to some extent significant, in view of the attempt that has been made in certain quarters to prove the Russians Asiatic, that Vladivostok is more reminiscent of Europe and a European city than any other spot known to me in the Far East. One of the chief causes of this impression is undoubtedly the predominance of horse-traffic, in pleasant contrast to the ubiquity of the jinrikisha in China and Japan—more especially Japan. Again, though the newcomer cannot fail to note the prolific Chinese, Korean, and Japanese admixture, the true hall-mark of the place is indisputably and palpably Occidental. My own thought in this regard was echoed by a young military medical student, whose acquaintance I had made on the Amur, and whom I met again on the evening of my arrival at Vladivostok, in the very act of entering the portals of the handsome *Zolotoi Rog*, or Golden Horn Theatre, to enjoy an admirable cinematograph display, to the accompaniment of a capital little string orchestra. As we allowed our joint gaze to wander down the apparently limitless perspective of the noble Svetlanskaya Ulitsa, with its succession of lofty stone and brick structures—the post office, Kunst & Albers, the Naval Club, the Imperial Bank,

the Ministry of Education, the Naval Department, the Harbour Office, the Navigation School, and a score more edifices of no mean proportions—my companion truly remarked that the spectacle was in itself a liberal education to the provincial metropolitan from St. Petersburg, who, like himself, not to mention the rank outsider, had pictured this part of the Tsar's dominions as a sort of abomination of desolation. "I was induced to undertake this trip during my vacation," he said, "quite as much with the object of familiarizing myself with Greater Russia as with that of mere recreation." At the *Obshchyedostoupny Teatr*, or "Generally-accessible Theatre," I spent a blissful Sunday evening listening enraptured to the strains of a Russian orchestra of purely Russian instruments, in which the *gously* and the *balalaika* predominated. The soloist was a marvellous performer on the latter. Like the rest of his band he wore the picturesque national costume—black velvet trousers stuffed into top-boots, a red *roubashka*, or blouse, and belt. From eight to eleven o'clock, these born artists played with scarcely a break, without a note of music to aid their memories. The programme was largely composed of national selections, folk-songs adapted to the strings, such as "Little Mother Volga," "The Recruit's Last Little Day," and many others; but an occasional exception was admitted in the shape of something more exotic, for the sake of variety. The audience was almost as interesting as the concert. I noted that the ratio of officers was far smaller than it had been

four odd years before when, shortly after the war, I had attended an operatic performance in the self-same theatre, but the average was sufficient to relieve the monotony of civilian garb, though here nobody wore our hopelessly bourgeois and unbecoming evening dress. In Russia, too, it is not alone the military and naval officers who don uniform; one would be almost justified in saying that uniform is the rule rather than the exception, from the schoolboy upwards, through all the grades of officialdom, civil, spiritual, naval, and military, to the Little Father himself. If your Arab loves the starlight, then most assuredly does your Russian love the limelight and the chimes at midnight, metaphorically speaking. In sober fact, midnight is deemed early among these northern Corinthians. Wishing to revive memories of halcyon days at the Strelna, the Ermitage, the Bouffe, and the Aquarium of Moscow and St. Petersburg, I crossed the road one evening from the Hotel Versalat, which I was staying, and climbed up the stairs of the *Tikhi Okean*, or Pacific Ocean, immediately opposite, perhaps the most popular *café chantant* at Vladivostok. The hour was then ten o'clock, but a servitor politely informed me that the festivities would not begin until twelve, and by way of compensation would continue until six a.m. on the following day! Not even the stupendous achievements, vocal and gymnastic, of a bright-eyed *tsyganka*, are an effective substitute for sleep on the eve of a trans-continental run. Therefore it was that, in lieu of "quips, and cranks, and wanton wiles, nods, and becks, and wreathed smiles,"

I sought "nature's soft nurse," and have never ceased to regret it, notwithstanding these philosophic reflections. A more wholesome phenomenon of the Russian port is the taste for sport and athletics which has manifested itself of recent years. There is a flourishing circle of amateurs, yachtsmen, oarsmen, racing men, wrestlers, boxers, etc., and at the time of my visit a fifty-thousand-rouble club-house was in course of erection. May it prosper.

Vladivostok has three or four daily papers, the best known being the *Dalyokaya Okraina* and the *Dalny Vostok*. The former is emphatically in opposition to the Government, and has had a chequered career. It was established some years ago by a fairly well-known Russian writer named Garfield, a nephew, by the way, of the American President of that name, who died at the hand of an assassin. Strange as it may seem, a brother of the President found his way to Russia, where he became a Court singer, married a Russian lady, and was granted a patent of nobility. It is at least a tribute to Russia's power of absorption of alien units that the offspring of this alliance should be in every respect Russian in speech and character, and that, singularly enough, English should be the one foreign language he knows least about. Reverting to the *Dalyokaya Okraina*, it is a point worthy of mention that this paper saw the light under quite a different name, and has changed its designation at least three times since its inception, in compliance with the exigencies of Russian journalism in the Maritime Province. It is illustrative of some of the

anomalies and humours of the Russian Press Law that, save in extreme cases, the so-called "suppression" of a paper, so frequently reported in the news of the day, usually implies nothing more terrible than the disappearance of the offending sheet under its former name, and its reappearance in due course under a brand-new one. However, the *Dalyokaya Okraina* has now lasted long enough to be widely and favourably known among a growing circle of readers, so that it may be permissible to hope that it will continue to escape the ban of the censor, without being subject to any further bewildering metamorphoses. The editor of the *Dalyokaya Okraina* is a Mr. A. T. Troitsky, and the secretary a young and able journalist named Pantelyeeff, whose acquaintance I first made in Japan, which he visited in company with a large party of Russian tourists in 1908.

The owner and publisher of the *Dalny Vostok* is, as already mentioned in a former chapter, a Mr. V. Panoff, and, as then stated, he enjoys the well-earned reputation of being perhaps the leading authority on East Siberia. Although the *Dalny Vostok* is a supporter of the Government, Mr. Panoff has not forfeited his right of criticism, and in the region of Far Eastern policy generally and that relating to East Siberia in particular, his views have for many years run counter to those of St. Petersburg. He prophesied in detail at the time what would be the result of the occupation of Port Arthur, and is now hard at work trying to induce the authorities to revoke the closing of the Vladivostok free-port, with what success it is as yet premature to

say. A keen student of international affairs, he is not blind to the trend of Japanese activity in Korea and South Manchuria, and with remorseless logic is never tired of pointing out in his paper the comparatively defenceless state of the Primorsk, the Amur Province, and the Trans-Baikal, should a second war break out with Japan before the completion of the Amur Railway,—this in view of the perfect network of lines of communication Japan is now constructing with feverish haste.

Not that, in Mr. Panoff's opinion, the Amur Railway will in itself be sufficient to guarantee Russia against attack; its essential corollary, he contends, must be a powerful fleet capable of resisting a Japanese descent upon the coast of the Maritime Province, in conjunction with Japanese land operations in the rear of Vladivostok, from the Kirin direction, which will soon be connected with Changchun, on the one hand, and with Hoiryong and the new Korean port of Chhyongjin, on the other. With reference to the real significance of this activity on the part of Japan, Mr. Panoff expressed the view that Japan's object might be less offensive than defensive. She doubtless realized that her best security against intervention in Korea, for example, was to entrench herself so strongly in the peninsula that all hope of expelling her would be vain.

"It is clear," continued Mr. Panoff, "that if, for the sake of argument, a combination of Powers should be formed against Japan in the near or distant future, she could not possibly be ousted from her position without the co-operation of Russia."

Russia, he hastened to add, was mainly concerned nowadays in recuperating from the terrible blow she had sustained. In so far as her Far Eastern possessions were involved, it stood to reason that, however friendly she might be with Japan at the present moment, she could not afford to depend solely upon the goodwill of Japan for the immunity of East Siberia from annexation, and thus the Amur Railway had to be built. Japan, on her side, even if she should be acquitted of aggressive designs, was far-sighted enough to see that Russia must in the long run make good her losses, and perhaps become stronger than before, and Japan also fully recognizes the fact that, in the event of future Far Eastern complications, Russia, and Russia alone, would be in a position to challenge her supremacy in Manchuria and Korea. Consequently, said Mr. Panoff, she was preparing to deal with every conceivable emergency. Needless to add, Russia would not dream of embarking upon a second war with Japan single-handed, which meant that, if peace were again disturbed in the Far East, the operations were likely to be conducted upon a gargantuan scale. Mr. Panoff insisted that Russia must hold North Manchuria at all costs, since whoever occupied Harbin held the key, so to speak, to Vladivostok, though this conclusion seems to be modified by the development of Japan's position in North-East Korea and Kirin Province.

"England and America," said Mr. Panoff, "were on the side of Japan in the late war, because they feared both the economic and political results of a

Russian monopoly of the Manchurian and Korean markets, and in truth Russia was a menace to Great Britain in the south. Now, however, they realize that Japan has taken the place of Russia and promises to be a far more formidable rival than ever Russia could have been."

The idea that China was seriously contemplating an attack upon Russian territories, in the wake of the so-called "rights recovery" agitation, he did not share in the slightest degree.

"As far as the Chinese Eastern Railway is concerned," he said, "China enjoys all the advantages and is exempt from all the disadvantages which the operation of the line entails upon Russia, in the shape of an annually increasing loss. Nor do I regard the flow of Chinese immigration into Mongolia and the settlement of the right bank of the Amur as other than purely economic phenomena."

I took leave of Mr. Panoff deeply impressed by the force of his reasoning and the manifest sincerity with which his utterances were inspired, and I regret that the above transcript from memory of a conversation conducted in a foreign tongue, entirely fails to do justice to the original.

During my stay at the northern port I naturally devoted some time to an investigation of the free-port question, and with the help of my Russian friends was placed in possession of a mass of material bearing upon this much-vexed issue which deeply affects every foreign merchant interested in trade with East Siberia, and the number of such was rapidly growing

when the Russian Government suddenly saw fit to reverse its former policy and close the *porto franco* in the face of almost unanimous opposition from the East Siberians themselves.

As the fate of Vladivostok as a free or closed port is inextricably interwoven, so to speak, with that of its southern rival Dairen (the old Dalny), I have thought it best to marshal all the data bearing on the subject, in the form of a comparison between these two places, in the sense of their respective qualifications as ports of transit for the Manchurian trade. For a lucid presentation of the main points of the case I must again appeal to Mr. Panoff, who expresses himself as follows :—

"The railway route from Vladivostok to Harbin is 728 versts, while by the South Manchurian route from Harbin to Dairen the distance is 900 versts, or about 172 versts longer than the former. The construction of the branch to Yingkow, however, virtually eliminates this difference. Vladivostok as a port must yield to Dairen in the matter of equipment for the purpose. Whereas on the former only about three and a half million roubles have been expended, the outlay on Dairen approximates twenty-five million. Nevertheless Vladivostok might still have had a chance of competing successfully with Dairen, but the inauguration of the Customs at the former port will be the last straw to turn the scale in favour of Dairen. It is true that there also exists the Chinese Customs at Dairen, while at Vladivostok it is proposed to allow the free transit of goods into Manchuria

and even to establish a free harbour zone. But these considerations cannot by any means change the real state of affairs. However ideal in the quantity and quality of their staff our Russian Customs may be, they can never, by the very nature of their fundamental principle—"the actual inspection of goods,"—attain that rapid despatch in the clearing of freight which exists in the Chinese Customs, where everything is based upon payment *ad valorem*, on the invoice, and not upon actual inspection of the goods. Therefore, in consequence of this basic difference in the Customs procedure itself, one may be assured beforehand that the formalities at Vladivostok will be more complicated and the delays more considerable than at Dairen.

"It may thus be anticipated that the entire chief import of foreign goods into Harbin, even with a free harbour zone at Vladivostok, will proceed not via the latter, but via Dairen, where Vladivostok firms, foreign and Russian, are opening their offices, as was the case before, when Port Arthur and Dalny were in our hands. Steps have already been taken in this direction, since it is known that money is cosmopolitan, and the commercial signboard is inscribed not at all in patriotism, but in the usual oil colours. After foreign goods of a Vladivostok firm, which are despatched to Harbin not via Vladivostok but via Dairen, will naturally go by the same road Russian goods of the same firm destined for the Harbin market; as regards the Harbin merchants themselves, the southern road, it goes without saying, will appear the more natural."

It is impossible to anticipate any very great help from the inhabitants of the Priamurye. For the most part they are to be found within the fifty-verst frontier strip where, by virtue of the Treaty with China, they are "beyond the confines of interference," but the unkind fate of Vladivostok placed it just at the very edge of this strip, and it has therefore fallen into the vortex of the Customs incidence. As regards Nikolaevsk and other unimportant internal portions of the province, they are less interesting as taxable factors. And the inhabitants of the fifty-verst strip will, of course, receive their supplies via Dairen. The policy of estranging freight from her own railway lines and transferring it to the South Manchurian, Mr. Panoff stigmatizes as suicide on the part of Russia, and equivalent to a subsidy to the Japanese Dairen.

The geographical situation of Russia's Far Eastern Empire is wholly distinctive. Take the Maritime Province as an instance. Here we find an enormous stretch of territory with but a few hundred thousand inhabitants, while immediately contiguous thereto is Manchuria, and further south Korea with a joint population of more than twenty million. It follows inevitably that the expansion of Russian trade and industry in East Siberia, within a reasonable period of time and to any considerable degree, can take place only on account of these neighbouring peoples, the home market being quite inadequate for this purpose. It is equally important for Russian publicists to bear in mind that these neighbouring markets are markets

of the "open-door," and that they are not dependent upon Vladivostok for access to the ocean. The trade and industry of the Maritime Province must thus reckon with competition from without, and must take the necessary steps towards effective participation in the struggle. That the true nature of the situation is clearly recognized by virtually a huge majority of the business interests of East Siberia may be gathered from the language of the admirably lucid report which the Vladivostok Bourse Committee presented to the Russian Minister of Finance, M. Kokovtsoff, on the occasion of the latter's recent visit of inspection. The acute character of the question of Russian colonization is thoroughly recognized in the Primorsk; the predominance which should be given to Russian industry is also clearly understood, but, none the less, it is deemed impossible as yet to recommend the expulsion of yellow labour, in the event of which it would be necessary to suspend works of a highly-important description. In contradistinction to the policy of protection which the Central Government has seen fit to enforce in East Siberia, the local sentiment is entirely the other way, not from any academic opposition to protection *per se*, but rather in view of the special conditions which prevail in a virgin land which as yet is entirely incompetent to win commanding economic influence over the neighbouring markets unaided. The best expert opinion in the country therefore insists that, while Russian strength and Russian means are lacking in this respect, it is far better to make use

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of alien forces for the time being, until Russian trade and industry can stand alone, rather than forfeit this influence.

It is pointed out by the Committee that as far back as 1901, when the Customs were first established in the Priamurye, the necessity for a free harbour zone at Vladivostok was locally recognized, though the policy of the Government at that time was to regard Vladivostok exclusively as a naval port, and to divert the current of trade in the direction of Dalny, where millions were expended upon the improvement of the harbour, the construction of quays, etc. Even the Chinese Eastern Railway, which was one of the chief factors in the encouragement of the above tendency, nevertheless shared the local sentiment in this regard. The fact remains, however, that as the result of this policy *vis-à-vis* Dalny, Vladivostok in a strictly commercial sense became merely a port of transit and export for North Manchuria, the Priamurye, and Korea.

The Russo-Japanese conflict has altered the political map of the Far East. The results of that war, coupled with the closing of the Vladivostok free-port, have deflected the former course of trade and have brought Russia face to face with a state of affairs distinctly threatening, in an economic sense, and, in the opinion of Russians themselves, scarcely less reassuring in its political aspects. From the first-named standpoint, at least, Vladivostok and the whole of the Amur region have been, as it were, isolated in their relation to the neighbouring foreign commercial markets.

The original idea of the construction of the Chinese Eastern Railway, with two outlets to the ocean, was the handling of goods for the whole of Manchuria, to which end the southern branch to Dalny was designated, and it was intended that only freight for North Manchuria should be carried by the Vladivostok - Harbin line. To-day this southern branch is in the hands of the Japanese, whose ambition it naturally is to attract thereto the entire goods traffic of the south, and, as far as possible, that of North Manchuria. That they are likely to succeed in this aim is the fixed conviction of Vladivostok business men, with whom I have conversed on the subject, unless, as they say, the protective policy is speedily abandoned at the northern port. This process in favour of the Japanese will be greatly accelerated when the doubling of the South Manchurian line is completed, and at the time of writing very little remained to be done in this direction. The Russian Government never built any special lines of railway to serve the commercial interests of Korea, and for the most part trade with that country was conducted by sea. Only the northern portion of Korea was supplied with Russian goods which were carried from Vladivostok to Possiet Bay, and thence by land via Hansi and Hunchung to their destination.

"Our neighbours, the Japanese," says the report of the Bourse Committee, "are devoting the most strenuous efforts to the dissemination of their wares in Korea, and doing everything in their power to get the neighbouring markets into their grasp. With these aims

in view, perfectly well understanding the importance of a transit route from Vladivostok to Hunchung, they have opened a free-port in Korea (Chhyongjin), whence they project a railway line to Kirin. In this manner this portion of the neighbouring foreign territory is falling *in toto* into the sphere of influence of Japanese enterprise, and our turnover of millions with Korea will become the prize of Japan. It is especially sad that the introduction of the Customs, with their infinite restrictions and red-tape, is playing directly into the hands of foreign trade, and even recognized commercial routes, carriage by which had become customary among merchants, are now closed, as, for example, the transit of goods to Hunchung. The closing of the transit route to Hunchung, and the refusal of permission for such transit, in spite of the vigorous petitions of the Committee, is partially explained by the alleged inability of the Customs to organize at this spot protection of the frontier against return imports of transit goods by contraband means. The local Customs administration, in its official zeal, is applying the principle of war against contraband where contraband does not exist, and even if smuggling should be discovered, conflict with it would not offer any special difficulty seeing that the frontier as this spot runs along a chain of mountains which can be crossed only in two or three places."

As directly bearing on the above report, it has to be noted that arrangements have already been made by the Japanese authorities in Korea to admit goods duty free at Chhyongjin in transit for Chientao and

Hunchung. Goods thus imported have to obtain a certificate at Chhyongjin that they are for export to Chientao and Hunchung, and as soon as they have passed the frontier and the shippers can show another certificate to that effect from the Customs guard, the deposit money will be refunded. A light railway from Chhyongjin to Hoiryong is already operating, and this will undoubtedly soon be replaced by a standard-gauge line to link up the Korean and Manchurian systems via Hoiryong, Kirin, and Changchun.

The amazing fact is disclosed in this remarkable report that, in consequence of the vexatious Customs formalities existing at Vladivostok, even Russian goods destined for shipment north of Vladivostok and Nikolaevsk and for Saghalien are largely stored at Hakodate! It is cheaper and more convenient for the merchant awaiting a chance to ship his goods to these points to keep them in the interim at a Japanese port. This phenomenon was witnessed in 1902-3, when the Customs were first introduced at Vladivostok, and it is now being repeated. Thus, when in 1909 a time-table for the northern voyages was submitted to the Bourse Committee for its consideration, those engaged in the fisheries urgently demanded that every steamer leaving Vladivostok for the north should call at Hakodate, since at that port were stored all the necessary supplies for this trade. Furthermore, the merchants of Vladivostok, with commercial connections of long standing with Manchuria, are being compelled by force of circumstances to ship via Dairen, and some of them are proposing to open

CORNER OF SVETLANSKAYA AND ALEUTSKAYA STREETS, VLADIVOSTOK.

VIEW OF VLADIVOSTOK'S GREAT THOROUGHFARE, THE SVETLANSKAYA ULITSA.

there, and in some cases are taking steps to open, their central depots in order always to have on hand a sufficient supply of goods free from Customs formalities, perquisites, fees for inspection, and so forth. This policy is quite comprehensible when it is remembered that, owing to the distance of Vladivostok from the markets of production, big stock of goods have to be taken in once or twice a year. It is very expensive to keep these stocks in the Customs warehouses; and to take them over means the payment of huge sums in duty, without any guarantee that the goods will be sold in Manchuria, in which case the duty is remitted. The remedy for these evils is the restoration of the free-port system, coupled with the introduction of other reforms calculated to enhance the value of Vladivostok as a port of consignment and transit. Many of these reforms are of a purely technical nature and hardly come within the scope of this discussion, The Bourse Committee, however, has set them forth in detail for the consideration of the Minister of Finance.

CHAPTER IX

VLADIVOSTOK AND PROTECTION (CONCLUDED).

High Freight Rates—Inferior Equipment of the Russian Port—Russian Failure to Develop the Natural Resources of the Place—Conflict of Control—Naval Docks not Accessible to Private Shipping—Vessels Obliged to Go to Japan for Repairs and Nearly all Stores—Comparative Statement of Cost of Transporting Goods via Dairen and Vladivostok—Vexatious Customs Formalities at Vladivostok—Increase of Smuggling on the Amur—Japanese and Germans Said to be Interested in this Illicit Traffic—The Fifty-Verst Free Zone on the Russo-Chinese Frontiers and Some of the Anomalies to Which It Gives Rise—Strange Situation Created by Wording of Russo-Chinese Treaty—Chinese Violation of this Treaty.

It is an undoubted fact that the high freight rates imposed by steamers plying between the ports of Europe and Vladivostok constitute a serious menace to the further development of the international trade of Russia's chief port on the Pacific Ocean. Even in 1908, at the commencement of the export season, freights stood at a sufficiently high figure, from 20 to 21 shillings a ton. At the close of the season they had risen to 24 and 25 shillings. With the advent of the autumn of 1908 ship-owners were demanding from 26 to 28 shillings, and fears are now expressed lest thirty shillings should be charged in the near future. Such a forced appreciation of freight rates naturally gives rise to alarm for the future of Russian export via Vladivostok. The spacious, well-equipped, and convenient port of Dairen, in the hands of the energetic and able Japanese, is in any event too

formidable a rival to Vladivostok to allow of the latter's ignoring the ominous symptom of this unceasing increase of freight charges from Western Europe. In this context I append my own translation of a well-informed article recently published in the Harbin *Vyestnik*, in which the causes partly or wholly responsible for the invidious distinction against Vladivostok are summarized in a very convincing manner.

"Among the reasons contributing to the high freight rates on goods for export from Vladivostok (says this paper) it is customary to point to the decline of import into the town, partly in consequence of a natural reaction after the flooding of Vladivostok with foreign wares during 1906, and partly as the result of the introduction of Customs operations. Owing to this cause, vessels must come to Vladivostok without freight, and cover the losses thus incurred by raising the price of export shipment. But the above-assigned reason does not play anything like so important a rôle in this connection as we have been given to believe. The appreciation of freight is due to other and more weighty causes which are now being pointed out by foreigners who do business with the port of Vladivostok. At the present time it is well known that the English Consul at Vladivostok has informed the English shipping companies that the inferior equipment of the port of Vladivostok and the custom-house officer entail heavy losses upon steamers. According to the English Consul's statement, foreign steamers at Vladivostok must lie idly in the harbour for more

than a month in the expectation of freight. Such an official communication cannot, of course, fail to reflect upon the reputation of the port in the most disadvantageous manner. Steamship-owners, thus forewarned, in the expectation of inevitable losses, raise their freights, and this appreciation has been going on steadily to the point which has already been indicated. The English Consul has intentionally laid on the colours with a thick brush. As is well known, there has never been an instance where a foreign steamer has had to wait for a cargo of export freight longer than ten days. It follows, therefore, that the statement made by the English Consul to the effect that steamers have had to lie idle for a month awaiting their turn for cargo is the purest fantasy. For all that, there is unhappily much that is just in the attacks of the English Consul upon the poor equipment of the port. In this connection the foreigner has told us the truth and nothing but the truth. (The Consul has since emphatically denied having made any such statement.)

"Along the entire stretch of the continent of East Asia it would be difficult to find another bay so fine as the Golden Horn which washes the shores of Vladivostok. But having received into our keeping a precious gift of nature, we have done almost nothing to have at our disposal a well-equipped port. In the first place the bay of Vladivostok does not constitute a connected whole. It is split up among a number of owners, who have nothing in common. The lion's share of the natural port belongs to the Naval Department, and after that come the War

Department, the Municipal Administration, the Volunteer Fleet, and the Chinese Eastern Railway. Thus, a single marine basin does not exist; there are wharves, but there is no port. It is not surprising that such a port never had a master. It is true that over the commercial port at Vladivostok, in the capacity of a higher administrative institution, stood the Temporary Port Committee, which consisted of the representatives of various departments under the presidency of the Military Governor. But the Port Committee had no harbour offices whatsoever under its actual management, nor had it any chance of assuming practical control of the port, seeing that there were no technical nor administrative executive organs at its disposal, with the exception of the harbour police.

"The position of the commercial port at Vladivostok to this day is undefined and prejudicial. The commercial wharf, which was built by order of the Ministry of Communications, is not managed in a proper manner. The vacant spaces of this wharf, measuring about twenty thousand square feet, have been offered gratis to private parties wishing to occupy them. The harbour dues, which already mount up to hundreds of thousands of roubles, are deposited with the Temporary Port Committee, but the latter is deprived of the right to assign therefrom any appropriations whatsoever even on account of the most indispensable needs of the port. Until the settlement of the question, to whom the commercial water-front belongs, it has been decided to regard it as in the

course of construction, although no building operations of any kind are proceeding thereon. In this manner the revenues of the port are not collected in full, while those which are collected lie idle on deposit, although the port stands in need of the most indispensable structures.

"In 1909 an important change took place in the state of affairs, which gave rise to many hopes. Vladivostok Commercial Port was transferred from the Ministry of the Interior to the Chief Administrative Bureau of Commercial Navigation, which is in the jurisdiction of the Ministry of Commerce and Industry. There is therefore at the head a correct and appropriate organization of harbour administration. But it must not be forgotten that without monetary appropriations the best organization cannot do anything useful for the port. At the present time Vladivostok Commercial Port is without the most indispensable accessories. Although in the naval harbour there are excellent docks, dry and floating, they are inaccessible to private steamers, thanks to which the repair of vessels cannot be effected at Vladivostok. Vessels which have sustained damage must therefore be towed to Japan. The naval docks are empty, but they are unable to take in private vessels. Payment for repairs goes into the national exchequer and not to the credit of the establishments which have carried out the repairs. It stands to reason that, under such conditions, the Naval Department avoids the repair of private vessels which can entail only loss upon it. Thus, there do not exist at Vladivostok

either docks or workshops for the needs of private shipping companies. But the port is marred by other shortcomings which are even more keenly felt. There is no water save that contained in the reservoirs of the railway, which is sometimes able to sell to outsiders a small quantity of its surplus supply. On entering the harbour, therefore, steamers cannot replenish their supplies of fresh water. There are no water-works of any description at the port, and none in prospect. Steamers must supply themselves with water in Japan. The port is without coal stores available for the replenishment of ships' coal bunkers, and for their coal, therefore, steamers must again repair to the aforesaid Japan. The wharves are destitute of any sort of mechanical appliance for loading and discharging cargo, etc. From this imperfect review of the situation, it is not difficult to appreciate the defects of Vladivostok as a port or to realize that serious efforts are highly essential in order to raise it to the level of modern requirements. There is also an insufficiency of mooring blocks and of warehousing accommodation. The latter defect will be only partially overcome by the efforts of the Chinese Eastern Railway, which is now engaged in erecting spacious buildings of an up-to-date character. Upon the proper equipment of Russia's sole ocean port (in the Far East) depends its subsequent prosperity and commercial future."

Among the mass of material collected by the Harbin Bourse Committee as part of its report for presentation to the Minister of Finance, M. Kokovtsoff, who recently visited Siberia and Manchuria, are two

accounts which were paid on delivery of goods at that town, via Vladivostok and Dairen respectively. From these it is obvious that under existing conditions the first-named port cannot by any possibility compete successfully with the latter in the business of supplying Harbin with foreign wares. The sole reason, it is asserted, why Russian goods do not ignore Vladivostok is because the vessels of the Volunteer Fleet, in accordance with their schedule, do not call at Dairen. The following figures show the difference between the cost of shipping via Dairen and Vladivostok:—

	Russian Account Amount of freight: 1782 *pood* Expenses		Japanese Account 2700 *pood* Expenses
		Rls.K.	Rls.K.
1.	Tariff	691.71	487.00
2.	Chinese duty	90.37	221.24
3.	Port charges	40.00	27.36
4.	Russian Customs	17.62	—
5.	Customs Guild	17.62	—
6.	Conveyance to Customs Compound	18.30	—
7.	Storage	9.00	—
8.	Sundry services	2.08	—
9.	Commission to Agent of Railway for transfer of freight	35.24	7.05
10.	Revenue Stamps	4.00	—
11.	Transhipment to Kwangchentzu	—	25.00
12.	Other Charges	—	1.58
	Total:	925.94	769.23
	Average rate per *pood*:	52k.	36k.

Note:—Nos. 4 to 8 represent duty-free goods, so that all the charges as above are merely on account of the procedure of passing these goods through the Russian Customs.

Freight for Harbin, shipped direct via Vladivostok, costs on an average 47.5 kopeks per *pood*, even allowing for a lower rate of Chinese duty, whereas freight shipped via Dairen, even with transhipment at Changchun, costs only 20.2 kopeks per *pood*. On the side of Vladivostok are the advantages of direct shipment and a Chinese duty cheaper by one-third than that imposed at Dairen, inasmuch as goods proceeding inland via Vladivostok enter the confines of Manchuria across the land boundary at the station Pogranichnaya. But this advantage is rendered nugatory by (1) the break in transit caused by the payment of duty at Pogranichnaya; (2) the generally high tariff on the Chinese Eastern Railway; and (3) excessive port, commission, and Customs charges. Were it not for these reasons, North Manchuria would obtain its foreign supplies exclusively through Vladivostok, and both the Ussuri and Chinese Eastern Railways would secure a large quantity of new freight. Russian trade would also gain largely in its influence throughout this region, seeing that the middlemen for foreign goods at Vladivostok are for the most part Russian firms, whereas at Dairen they are Japanese and other foreigners. It is, nevertheless, apparent from the figures cited above, that the expenses entailed by shipment via Vladivostok are very much higher than those payable via Dairen and the South Manchuria Railway.

What impresses the investigator as most extraordinary is that the Russian Customs at Vladivostok should subject goods in transit from abroad bound for

Manchuria, and not for Russian points, to so many high and vexatious charges. This latter tax must be utterly abolished if the port of Vladivostok and the lines of railway already mentioned are not to be deprived of all goods in transit. It may even be foreseen that in the near future—unless speedy reform be forthcoming—even Russian freight will select the Japanese route to Harbin, owing to the enormous advantage arising from the lower charges. According to the latest list of the German Lloyd, freight from northern ports of Europe to any port of the Far East varies from 19½ kopeks to 32 kopeks per *pood*, whereas the Volunteer Fleet charges from Odessa as much as 1 rouble 50 kopeks for first-class freight. It stands to reason that, in view of this difference in favour of the Dairen route, goods shipped from St. Petersburg, or via St. Petersburg and other ports of the Baltic Sea to Manchuria, will naturally avail themselves of German steamers, and will entirely ignore Odessa. As far as German and other foreign steamers are concerned, it is a matter of indifference whether they deliver freight at Dairen or Vladivostok, but shippers will always send their goods via Dairen in order to enjoy the benefit of the cheaper land carriage over the South Manchuria Railway, with transhipment at Changchun, to Harbin, in addition to the tremendous saving on ocean carriage. This saving may be estimated at from 50 to 60 per cent.—a balance in favour of Dairen which must always be taken into account.

The closing of the free-port at Vladivostok, and of the Primorsk and Amur Provinces to European goods, has apparently had a very beneficial influence upon the economic development of the right, or Chinese bank of the Amur. Among the more progressive points is Sakhalyan, or Sakalin, opposite Blagoveshchensk, near Aigun, and a settlement on the river Mokhe opposite Ignashina. These two points serve as depôts for the storage of big stocks of contraband, whose ultimate destination, if possible, is, of course, the left, or Russian side of the river. The chief items of contraband are spirits, tobacco, and sugar, after which come matches and other manufactured goods. Some idea of the dimensions which this illicit traffic has attained may be derived from a well-authenticated statement that a certain Harbin merchant is in the habit of making shipments of forty thousand roubles in value in every instance. Besides this man, at least three other Harbin merchants are said to keep huge contraband stores at the points mentioned above. The latest report is that both the Japanese and Germans are preparing to take an active part in the trade upon an even larger scale.

With the object of discussing the subject and devising a remedy for the evil, a consulation was recently held at Blagoveschensk, those present including the local authorities, representatives of the Russian Foreign Office, and local merchants, but the conclusions they arrived at are not very illuminating. The subject is directly connected with the provisions of the Treaty with China concluded in 1881. It is not

generally known, perhaps, that under Article 1. of this Treaty, a fifty-verst strip on either side of the river is a so-called "free zone" reserved for trade between Russian and Chinese subjects. Owing, as usual in such cases, to the loose wording of the article, the intention of the framers is not perfectly clear. It was recently reported in the Douma that this article provided for free trade within the fifty-verst zone, in goods of native manufacture, but as a matter of fact, the literal wording of the article imposes no such restriction, and extends the privilege to Russian and Chinese subjects quite independently of the origin of the goods dealt in.

In any event, irrespective of the question of interpretation, it would be virtually impossible to confine the trade to Russian and Chinese goods alone. At the present time Manchuria is open to foreign trade, and on the right bank of the Amur may be found not only goods of Chinese origin, but Russian—on which excise is charged on import into Manchuria—English, German, and Japanese. In the majority of cases it is almost impossible to distinguish the country of origin. Many of these goods are specially made for the Chinese market, and even the firm's "chop" is in Chinese style. Japanese matches manufactured at Changchun by a Sino-Japanese company may be placed in this category, and the question is, Are they to be regarded as Chinese or Japanese products for the purpose of this treaty privilege? This means that the Chinese merchants, and after them Russians and others, may convey to the left bank of the river almost any kind

of goods under a Chinese name. Practically speaking, therefore, the left bank of the Amur is accessible to contraband foreign goods. Further, Article XVIII. of the Treaty of 1881 confirms the provisions of the Aigun Treaty which grants to Chinese and Russian subjects the right to navigate the Amur, Ussuri, and Sungari. The surface of the Ussuri and Amur is regarded as neutral. Taking advantage of this fact, vessels laden with contraband approach close to the Russian shore, and discharge their cargo, which is promptly removed.

During my recent visit to the Amur Province I heard loud complaints of the high-handed manner in which the Chinese authorities nowadays treat the Russians. But yesterday, *i.e.*, before the war, the Russian could have stood against the world, but now, there's "none so poor to do him reverence," seemingly not even the Chinese. Under the Treaty of 1881, for example, Russian goods exported from Manchuria into the fifty-verst zone on either side of the Amur may not be subjected to Chinese export duty, but if Russian allegations are to be believed, the Chinese Customs, in flat defiance of the Treaty, are in the habit of imposing duty at the rate of from two-thirds to five per cent. *ad valorem*.

CHAPTER X

RUSSIA IN NORTH MANCHURIA.

Harbin as the Economic and Strategic Centre of North Manchuria—Khailar and Tsitsihar—The Chinchow-Tsitsihar and Tsitsihar-Aigun Railway Projects—Russian Railway Settlements in North Manchuria—Pernicious Effect upon Russian Enterprise in North Manchuria Exercised by Closure of East Siberia to Free Trade—More about the Free Zone under the Russo-Chinese Treaty—The Chinese Eastern Railway and the South Manchuria Railway Compared—Russian Merchants against High Tariff on the Former—The Russo-Chinese Bank and its Alleged Treatment of Harbin Merchants—Gratifying Development of Russian Trade in Spite of All Drawbacks—Vladivostok Still Retains a *Raison d'Être*—Rumoured Intention of Russia to Sell the Chinese Eastern Railway—Prince Ito's Visit to Harbin Cited in this Context—Sketch of Harbin as the Offspring of the Chinese Eastern Railway—Harbin during the War as the Rendezvous of the "Heroes of the Rear"—Fortunes Won and Lost in a Day—Present-day Harbin—The Flour-mills of Harbin—German Commercial Energy—The Bean Trade—The Expropriator Active at Harbin—The Intellectual Side of Harbin Life—License Granted to Entertainers.

The base of the Russian position in North Manchuria, in an economic and a strategic sense, is Harbin. Here are concentrated the headquarters of the principal commercial and industrial enterprises, the bulk of the retail and wholesale trade. After Harbin ranks Khailar, a hundred and seventy-five versts from the border station called Manchuria, or Manchuli, which marks the junction of the Chinese Eastern and Trans-Baikal Railway systems. Tsitsihar, as a purely Chinese town, is the largest in North Manchuria, its population ranging in the neighbourhood of at least eighty thousand, but the number of Russian residents is inconsiderable. The Chinchow-

Tsitsihar-Aigun Railway project, which at the time of writing is powerfully exercising the chancelleries of the Powers, has invested Tsitsihar with a new importance, and should one or both of these lines be built, a fresh impetus will certainly be given to its commercial expansion. The line from Tsitsihar to Chinchow, more especially, would form another connecting link between North and South Manchuria and another junction with the Chinese Eastern and Trans-Baikal Railways. The town of Tsitsihar is actually about twenty miles north-east of the Russian station of the same name on the Chinese Eastern Railway, so that the new trunk line would presumably bisect the latter in this vicinity.

At the time of writing, it is still a little uncertain what attitude the Japanese Government will adopt towards this project of the Anglo-American syndicate, though a protest from Russia would appear to be almost a foregone conclusion, seeing that such a line, if built, would be calculated to reduce the Chinese Eastern Railway to something closely resembling a local service, and deprive it of its position as an integral connecting link with the Trans-Siberian road. The South Manchuria Railway may not be so vitally affected, though in view of Japan's earlier action anent the proposed Hsinmintun-Fakumen Railway, it is hard to believe that she can contemplate the possibility of a new competing trunk route with perfect equanimity. It will be remembered, indeed, that her protest against the Hsinmintun-Fakumen Railway was in no small measure dictated by a natural apprehension lest

this line should be extended north as far as Tsitsihar and thus rob the South Manchuria Railway of its significance as the sole feeder of the Chinese Eastern Railway from the south. The route of the projected Chinchow-Tsitsihar-Aigun line would, it is true, lie through West Manchuria and East Mongolia and at an appreciably greater distance from the South Manchuria Railway than the old Hsinmintun-Fakumen project, but the new railway would still constitute a competitive parallel line and divert from the South Manchuria Railway the bulk of the through passenger traffic which nowadays is carried by the Peking-Mukden Railway to Mukden, or via Koupangtzu and Yingkow to Tashihchiao. On the other hand, it is obvious that almost any new line of any length within the confines of North or South Manchuria must in a relative sense rank as a more or less competitive service to the South Manchuria and Chinese Eastern Railways, and if protests from Russia or Japan or both are to be raised at every turn, the situation will simply amount to this, that the economic development of the Three Eastern Provinces is for ever to be retarded in the interests of two alien Powers and to the detriment of China herself. It may be admitted that, in the present instance, the promotion of the Chinchow-Tsitsihar-Aigun Railway has more of a political than a business basis; in other words, it has been dictated less by the urgent economic need of opening up an almost barren stretch of country than by the desirability of depreciating the value of the Russian and Japanese lines and thus, as it were,

weakening the economic grasp of their owners upon Manchuria as a whole. Nevertheless the principle at stake remains unaffected by these considerations, and so long as Russia and Japan have it in their power to clog the wheels of progress in the manner indicated, it is idle to talk about the open-door or equal opportunity in Manchuria.

The larger proportion of the Russian population of North Manchuria, apart from Harbin and a few other points, is composed of employees of the Chinese Eastern Railway, both civil and military, if the officers and men of the so-called Railway Battalion are to be classified in the latter category. Virtually the whole of these people reside in the neat and well-kept settlements which are attached to the various stations from Manchuria station to Kwangchentzu. Needless to say, the importance of these settlements, as factors in the expansion of Russian economic influence throughout North Manchuria, is not very great, since in the nature of things they must be purchasers rather than producers. From the purely economic standpoint, it goes without saying, their value to the Chinese population is considerable.

Assuming that Russia is earnestly desirous of guaranteeing her position in North Manchuria, which she feels has been to no small extent jeopardized by the recent war, it is all the more surprising that she should have had recourse to the reactionary policy of closing not only the maritime free-port at Vladivostok, but equally the entire East Siberian boundary from the Trans-Baikal to Korea. The inference to be

drawn from this proceeding is that, whereas, on the one hand, the Chinese Eastern Railway is nominally supposed to exist, in part at least, for the carriage of Russian freight, both export and import, the Russian authorities are doing their best to deprive Russian enterprise in North Manchuria of its most natural market, *i.e.*, the Maritime and Amur Provinces. The staple argument is resorted to that it is necessary to develop "home industries" in the Amur and Maritime Provinces, but if Russian subjects in North Manchuria can manufacture flour, for example, cheaper and better than it can be manufactured in Siberia, why penalize Russian enterprise because it happens to be in North Manchuria and not in Siberia, and at the same time force the none too prosperous inhabitants of East Siberia to pay more for the necessaries of life, while in the same breath it is officially insisted that Russia must strengthen her position in North Manchuria? The two contentions cannot be reconciled. A still more extraordinary position has been created by St. Petersburg, unconsciously, we must suppose, in the light of the Russo-Chinese Treaty of 1881, already referred to in another chapter. It has there been shown that under this Treaty a fifty-verst zone on either side of the Russo-Chinese frontier is reserved for free trade between Chinese and Russian subjects, quite irrespective of the origin of the goods in which they are trading. In other words, in spite of the abolition of the free-port, Russia, without infringement of the Treaty, which does not expire until 1911, cannot prohibit Chinese subjects from

doing business, immune from the imposition of duty, in foreign or other goods, within the fifty-verst zone on the Russian side of the boundary. In practice, moreover, it means that the output of the Russian flour-mills at Harbin benefits for the time being by this provision, because even if red-tape were stretched to the limit of contending that *Russians* cannot claim exemption from duty, under the Treaty, on the *Russian* side of the boundary, all that the Harbin mill-owners would have to do to elude the difficulty would be to consign their goods through a Chinese middleman and, if necessary, adopt a Chinese "chop" for their output.* This, I understand, is actually being done by a number of foreign firms, though as the Treaty clause is worded, the Russian Customs authorities have no right to prohibit *Chinese subjects* from dealing in goods of any nationality within the free zone mentioned above. The actual wording of the article (Art. 1 of Rules for Land Trade, supplementary to the Russo-Chinese Treaty of 1881) is as follows:—

"On the frontier of both Empires, for a distance of fifty versts (a hundred Chinese *li*) on either side, is permitted free and non-dutiable trade between Russian and Chinese subjects."

Nothing could be clearer. It may be surmised that now that public attention has been drawn to this typical official absurdity, it will not be readmitted into the revised Treaty; meanwhile, its logical effect would

* Since these lines were penned, the Russian Minister of Finance has granted permission for the duty-free transit into the Amur Province, within the fifty-verst zone, of flour manufactured by Russian mills in Manchuria and the zone of the Chinese Eastern Railway, subject to certain formalities.

be to encourage still further the importation of all goods for Russian consumption in the Amur and Maritime Provinces via Dairen.

Still more weird and inexplicable to the mere civilian is the protective policy *via-à-vis* Russia's own railway in North Manchuria. So long as importers enjoyed the privilege of getting in their goods duty free at Vladivostok and consigning them to North Manchurian points across the Chinese frontier at a somewhat lower rate of duty than at Dairen, they naturally preferred to ship via Vladivostok and by the Chinese Eastern Railway. To-day, however, confronted by the nuisance of endless Customs formalities at Vladivostok—in spite of the fact that through Russian freight for Manchuria is exempt from duty at that port—and the higher tariff on the Chinese Eastern Railway, the Russian importers themselves in Manchuria are naturally turning their attention to Dairen, where Chinese Customs procedure is infinitely simpler than the Russian, and where the slightly higher Chinese Maritime Customs duty, as compared with the Chinese land frontier duty at Pogranichnaya, is more than compensated for by the lower freight tariff on the South Manchuria Railway. For example, to deliver Manchurian grain for export at Vladivostok costs 24 kopeks per *pood* by the Russian railway and only 17 kopeks by the Japanese, from Changchun to Dairen. The carriage of a *pood* of tea gives a difference of 50 kopeks in favour of the Japanese route; of kerosene, 30 kopeks. And so it goes. Not content with this triumph, the Chinese Eastern Rail-

way before the war raised the rate on flour, of all things, and since then the export of that staple from Harbin to the Amur has preferred the Sungari River route, which is not surprising when it is learned that to ship from Harbin to Khabarovsk by the Sungari costs from seven to ten kopeks a *pood* as against forty by the Russian railway.

Complaints are rife among Russian merchants against the attitude of the Russo-Chinese Bank towards Russian commercial enterprise in North Manchuria. When after the war there set in a sudden stoppage of trade elicited by the decline in the artificial demand for military supplies, etc., the bank is accused of having acted with unexampled severity towards its clients. No days of grace were allowed for the repayment of advances; all sorts of goods, shops, and houses were sold by auction, with the result that many persons were ruined and prices still further depreciated. In the midst of these alarums and excursions there arrived on the scene Privy Councillor Poutiloff who, instead of adopting a policy of amelioration, came to the conclusion that Harbin was doomed to destruction in any event and therefore did not deserve the smallest support. From that date, the bank almost entirely discontinued to discount promissory-notes. But the extraordinary vitality of Harbin was proof against the best-meant efforts to deal it a death-blow. In the place of the ruined firms appeared new ones, and those which still retained the vital spark finally recovered. A respectable export trade grew up; a society of mutual credit was established; and foreign capital was

brought in. Then came another Privy Councillor, M. J. P. Shipoff, who entrusted loan operations to the Chinese Eastern Railway under the control of the Russo-Chinese Bank. The grain trade is one of the most important Harbin staples, but the bank demanded exorbitant interest for the most niggardly advances. The export of beans is another well-known Harbin enterprise. During the past season the price at English ports was about a rouble a *pood*, but the bank at Harbin would not allow the railway to grant loans on this security higher than fourteen kopeks in January and eighteen kopeks iu February. Worse still, acting through the Russian Milling Company, the bank itself entered into competition with private parties and still further helped to embarrass them. When the price of wheat fell to an extremely low figure it still proved impossible for private millers to procure accommodation, and when by hook and by crook they managed to scrape together a certain amount of ready money, the price had already gone up by fifty or sixty per cent.

The Chinese Eastern Railway, under the amusing pretext of encouraging home industries, declines to buy in the local market the materials required for its own use, and prefers to carry them out from European Russia by rail at a far higher cost than that at which they could be supplied by the local dealers who have had the good sense to ship their stocks by sea, via Odessa. The result of this policy is that the bulk of the freight carried by the Chinese Eastern Railway is destined for its own use. In 1907, out of ninety

million *pood* of freight, only twenty-eight million represented private-paid freight, and in the following year the proportions were fifty million and thirty million *pood* respectively. No wonder that, under such eccentric management, the line loses at the rate of twenty million roubles annually. It speaks volumes for the natural resources of the province and the energy of the Russian merchants—with all their shortcomings—that in spite of these exasperating obstacles the trade of North Manchuria continues to develop and that even the freight carried by the railway is increasing instead of diminishing. The latest available returns of the Chinese Imperial Customs show, for example, that whereas in 1905 the exports from Russian Pacific ports to China totalled but 71,946 taels in value, by 1908 they had swollen to 5,481,256 taels. The exports from Russia and Siberia by the land frontier expanded from *nil* in 1907 to 3,000,000 taels odd in 1908.

There is good evidence that a very large proportion of the grain export of Manchuria will continue to be shipped via Vladivostok, unless the Russian authorities, with their peculiar genius for discovering the very best method of how *not* to do it, again step in, to the undoing of their compatriots who are fighting an uphill fight. A writer in a Harbin paper, who displays wide knowledge of his subject, notes that even the great Japanese firm of Mitsui is shipping corn by the northern port, which it would scarcely do were the resources of the South Manchuria Railway and Dairen sufficient to handle the whole of this branch of trade.

That things are not worse is in itself encouraging, and were there an immediate and earnest attempt on the part of the Chinese Eastern Railway to compete with its Japanese rival, and had the Russian merchants a satisfactory assurance that even the modified system of free trade with the Amur and Maritime Provinces—under the fifty-verst zone rule—would not be taken from them in 1911, the future of the export trade of North Manchuria, to the benefit of Vladivostok, might be regarded as practically certain. Unfortunately at the time of writing there is no such attempt and no such assurance. On the contrary, since the visit of M. Kokovtsoff, the Russian Minister of Finance, rumours have been rife that Russia contemplates the sale of the Changchun-Harbin branch to the Japanese, though it seems scarcely credible that Russia should thus voluntarily weaken her economic and strategical position in North Manchuria. Nor could the whole or part of the Chinese Eastern Railway be sold to Japan without the consent of China to whom Russia is under treaty obligation to sell it at the expiration of the term for which the railway zone was, so to speak, expropriated in favour of Russia. In this context it is recalled that M. Kokovtsoff himself, in the course of a speech given at Moskow, prior to his departure for the Far East, declared that the Chinese Eastern Railway was a Russian Railway and had been called into being to serve Russia. It must not have any ulterior task and could not pursue such. At the same time, immediately following this declaration, he let fall a remark to the

effect that perhaps in the course of time some sort of change would be introduced in this regard, and it is precisely this remark that has been cited to give colour to the belief that the tragic meeting between the Minister of Finance and Prince Ito had a definite political object, and was not prompted merely by a craving for social intercourse.

In marked contrast to Russian supineness in North Manchuria, in regard to official co-operation with private Russian enterprise, is the attitude of the South Manchuria Railway Company and the Yokohama Specie Bank in South Manchuria, where (*vide* Mr. Cloud's report from Mukden) the Japanese authorities are accused of stepping over the line in their eagerness to promote the interests of their compatriots. I shall have occasion to return to this subject later, when dealing with the Japanese sphere of influence in the south, but it is fitting to make passing reference to it here, since it is closely associated with the entire question of Russo-Japanese relations, both economic and political, in China.

The important bearing Harbin has upon international relations and rivalries in Manchuria warrants a brief glance at the history of this anomalous mushroom growth of not altogether savoury reputation, together with a review of the *status quo* created by the recent Russo-Chinese Agreement with regard to the administration of the settlements within the Russian railway zone, and the protests in this context which have been submitted by several of the Powers to the Chinese Government. Significantly enough, Japan

has refrained from taking any part in this latter movement, since by so doing she would clearly be helping to stultify her own position in South Manchuria.

Prior to the construction of the Chinese Eastern Railway the site of the present Old Town of Harbin was merely a small and an unimportant Chinese village, but with the advent of the Russian line Harbin speedily witnessed a complete metamorphosis. The administration of the railway was established at this point; and extensive workshops for the construction of engines and rolling-stock generally were opened, with numerous warehouses for the storage of supplies. These events belong to 1896, or thereabouts. In 1900 the Boxer uprising occurred, resulting in the partial destruction of the line and rolling-stock and the temporary flight of the Russian constructors, for all of which China had subsequently to pay the sum of seventy million roubles. By 1903 the value of the Chinese Eastern Railway was estimated to be about three hundred million roubles, and during seven years this amount and more had been distributed from Harbin as the centre of the railway work.

The war with Japan brought further booty to the town, and it is on record that huge fortunes were amassed by military and civilian officials within an incredibly short space of time, and by methods which it is scarcely necessary to characterize. It may, however, be said that, in view of a state of affairs in which these "heroes of the rear," as they have been aptly styled by a Russian correspondent, were far more deeply

VIEW OF NEW TOWN AND CHINESE EASTERN RAILWAY HOSPITAL, HARBIN.

HARBIN RAILWAY STATION.

concerned about lining their own pockéts and feathering their own nests than helping to win victories for the Fatherland, it is not at all surprising that Japan won the war; it is, indeed, remarkable that the downfall of the Russian hegemony in South Manchuria was not attended by even more disastrous consequences for its victims. For the time being, at any rate, Harbin thrived on these outlays, and something like a thousand million roubles must have been expended here in the space of nine years only. In 1903 the population of the place was nearly fifty thousand, for the most part Russians of both sexes, and to this epoch of its history must be traced the appearance of *cafés chantants* galore, theatres, a circus, summer garden, and numerous establishments of an even shadier character, such as houses of ill-fame and gambling dens of the worst description, where officers and civilians, old and young, squandered millions of stolen money. Those who knew Harbin during the war will readily recall the saying current in those days, viz., that nothing under ten roubles (more than a pound sterling) could be regarded as money, and that the reckoning began only from that sum upwards. The times have changed since those merry (?) days, and now those who cannot reconcile themselves to a more modest unit of currency must perforce abandon Harbin.

Although the buildings and roads of Harbin are beginning to show marked improvement as compared with what they were just after the war, when the ruts reached the axle-trees, the architectural and topographi-

cal features of the town, or towns, bear undeniable testimony to the haste with which the pioneers must have laboured in feverish anticipation of the golden harvest which undoubtedly many of them actually succeeded in garnering. The chief portion of Harbin is the New Town, which is contiguous to the railway and consists for the most part of dwellings for the employees of the latter. These houses are usually one-storeyed brick buildings, with outhouses and fences, of various sizes, commensurate with the rank and means of the occupant. There are several pretentious buildings such, for example, as the Bureau of the Chinese Eastern Railway, the new premises of the Russo-Chinese Bank, the boys' gymnasium, or school, and the Staff offices of the Railway Battalion, etc. On the outskirts of the town are many small stores and shops which also serve as dwellings for their tenants. Until quite recently there were forty-five males to every six females, with a very small proportion of children, but with the *post-bellum* transition of the town to a more normal condition of existence these discrepancies are gradually being modified. Harbin Old Town, wherein the railway magnates originally took up their quarters, when the work of construction was first started, is somewhat more animated than the New Town. With its open spaces, wide, dirty streets, and small houses, it recalls some small district town of European Russia. Its total population may possibly be five thousand. The real, active, hard-working Harbin, where the proper business of the town is daily transacted, is known as Harbin-Pristan, or

Harbin-Wharf, where are concentrated such foreign merchants as favour Harbin with their presence, and who are largely engaged in the bean trade. Harbin-Pristan is dirtier, perhaps, than either Old or New Town, but clearly enjoys vastly more vitality. I should judge its present population to be within the neighbourhood of twenty thousand. The majority of the foreign merchants established here are Germans, but signs are not wanting that both Americans and English are beginning to direct their attention to Harbin as a convenient export centre for Manchurian products, more particularly flour, corn, and beans.

According to Russian reports, several of the recently-established foreign export firms at Harbin are backed by large capital, whereas only the Russian Milling Company is supported by a bank, the remainder being very badly equipped, so it is contended, for a successful struggle with their foreign rivals. At the present time activity in the bean trade fairly overshadows all other branches, and the flour-mills, which sprang into existence during the war, when the necessity of furnishing a huge army with a vast quantity of the staple guaranteed the private mill-owners a constant source of profit, have now fallen upon evil days and can work only at intervals. It is asserted, in fact, that the productive capacity of the flour-mills of Harbin is three or four times greater than the market requires. Indeed, the biggest mill of the lot, the so-called Sungariskaya, owned by the Russian Milling Company referred to above, is rarely seen at work, in spite of the alleged advantage it

enjoys over its private competitors in the shape of substantial backing by a bank. The output of the Harbin mills during 1908 was in the neighbourhood of two hundred million pounds, while the potential capacity of the mills may be placed at not less than six hundred million pounds per annum. It is evident, therefore, that a large sum of capital is lying practically idle in an industry which has been established upon a scale out of all proportion to the needs of the market, and it is to this state of affairs that the dull condition of the flour trade is largely attributable, notwithstanding the many local factors favouring the same, such as cheap labour, a regular demand for flour, within the limits above indicated, and correspondence between the price of raw material and that of the finished product.

The energy of the Germans is especially noteworthy in the North Manchurian commercial and industrial field. One of their latest schemes is a big sugar refinery to be opened on the left bank of the Sungari, not far from Harbin, and it is expected that this concern will be ready to begin operations by the autumn of 1910. There is also a report current that certain foreign promoters are thinking of establishing a large paper-mill at Harbin. All these separate evidences of foreign interest in that part of Manchuria, which until the war Russia was in the habit of regarding almost as a close preserve, are cited by the Russian Press of Siberia and North Manchuria to point a moral decidedly uncomplimentary to the alleged torpor of Russian economic methods.

With reference more particularly to the bean trade, it is deemed significant that whereas in 1908 only about two or three foreign firms were directly engaged therein, in 1909 at least seven had their own agents on the spot striving hard to purchase direct from the Chinese, although hitherto it has been necessary to employ Russian middlemen. One of the largest foreign buyers of Manchurian beans is the powerful Japanese firm of Mitsui (the Mitsui Bussan Kaisha), the ramifications of whose business undertakings throughout Manchuria, and more especially the southern half, are infinite. I may here refer to the fatuous procedure of a certain English house which recently saw fit to despatch to Harbin two representatives who spoke not a word of Russian, and who could not hope for one moment to compete successfully against their better-equipped German or Japanese opponents. The subject is a hackneyed one, but no appraisement of the economic situation in North Manchuria, in its international aspect, would be complete without at least some passing reference to the absolute necessity of employing as agents men who are familiar with the country and the language. The Germans are always represented by agents who speak Russian more or less fluently, and who can therefore deal direct with both the Russians and the Chinese, many of whom speak Russian. Men of this kind are able to take an active part in the public life of the community, to appear on 'change, and to keep in constant touch with everything that is going on.

I was told while at Harbin that there is a really large retail trade in the town, and that such shops as Chorin, Kunst & Albers, and Samsonovitch, whose show-windows would do credit to Bond Street or Piccadilly, can boast a turnover running into six figures daily.

A word of friendly advice to the stranger in Harbin. Steer clear of dark corners. The Grouzin, or Georgian, is abroad in the land, more especially when the sun has gone down; he is a walking arsenal of Brownings and poniards; is constantly on the look-out for lost sheep; and the belated wayfarer who is not punctual in his response to the sudden invitation "hands up!" (*rookee vverkh!*) as often as not never gets any further than Harbin. For unfortunates of this description there is certainly a ghastly appropriateness in the esoteric meaning of the word Harbin, which is said to be derived from the Chinese "Haobin," meaning a "big tomb." These Georgians are the curse not only of Harbin but of all North Manchuria and East Siberia. They are a relic of the war and are almost as devastating. As a rule tall, handsome men, with big aquiline noses, black hair, eyes, and whiskers, and a fierce, predatory expression, wearing their picturesque national costume, and openly armed, they are undoubtedly among the most striking objects of a Harbin thoroughfare. They are never known to work and they are rarely without a good supply of hard cash—two "particulars" in an inductive process which justify the inference that, in the words of the poet, "they have not a conscience sufficiently fine, to

discriminate clearly 'twixt mine and thine." And this induction is not misleading. When you meet this type of citizen, even in broad daylight, give him a wide berth, for he is proverbially sensitive, and inclined to misinterpret an admiring glance into a deadly insult, though the deadliness is usually one-sided, and that side is not his, in the first instance, at least. It is a pity that the Russian authorities cannot do something drastic to rid the country of these desperadoes who are directly responsible for numerous tragedies in the course of the year.

Apart from the Georgian, life is not entirely devoid of interest even at Harbin, although the majority of the residents have not settled there with the express intention of spending their declining years in such an environment. In many ways, it must be admitted, Harbin sets an example to Russian towns in Russian territory further north. The Bourse, or Exchange, is one of the most active in the Far East, and its members are keenly alive to the interests of the community in which they dwell. The Society of Russian Orientalists, although quite a new institution, has already done splendid work along the line of supplying the public with reliable data on all matters connected with the Far East, and more particularly the provinces of China. An amateur orchestra organized by the Symphonic Society holds periodical concerts, assisted by other amateur talent, and too high praise cannot be accorded these efforts to cater to the more refined tastes of a settlement exposed to numerous temptations not all of an equally innocuous character.

Kipling has referred to those regions east of Suez where "the best is like the worst." He was hardly thinking of Harbin when he penned those lines, but assuredly they are no less applicable to this Manchurian community than to Mandalay, or perhaps more so, even if the Ten Commandments are officially recognized by the Russians in Manchuria. I have in mind the extraordinary license tacitly granted certain "entertainers" to truckle to the animal instincts and propensities of their patrons. The cinematograph is a harmless enough form of amusement as a rule, but it may very easily be perverted into a corrupting influence, and one need not be at all prudish in asserting that there is no small danger of such a perversion at Harbin, not to mention several cities in East Siberia. Without going into impossible details, it will be enough to add that, under the euphemistic title of "piquant pictures for adults" (*peekantniya karteenwi dlya vsroslwikh*), several of these concerns make a practice of exhibiting scenes of the most obscene, pornographic, and salacious description imaginable. The definition of an "adult" is apt at times to err on the side of latitudinarianism, and in any case a young man of twenty-one is rarely more immune from temptation than one of nineteen, and such displays, deliberately designed to rouse the sexual appetites of the onlookers, are not exactly edifying for any age or either sex. It is in not a few of the above respects that life under the Russian flag impresses the Anglo-Saxon as anomalous. Politically England and America are wont to regard themselves as perhaps the

EXTERIOR VIEW OF HARBIN RAILWAY STATION.

VIEW OF SUNGARI AT HARBIN

freest countries in the world, while socially Mrs. Grundy and Anthony Comstock are at times in danger of growing too insistent. It is very much the reverse in Russia, where political freedom is at a discount, but where in those walks of life unconnected with officialdom, and where the individual is seeking merely his own "æsthetic" gratification, authority is indulgent and broad-minded to a degree undreamt of in lands where the Nonconformist conscience and Exeter Hall have a voice in public affairs. It is trite enough to say that people cannot be made good by Act of Parliament, but they can unquestionably be encouraged to be worse than they are, or otherwise would be, by giving the entrepreneur *carte blanche* to fatten upon every human weakness.

CHAPTER XI

RUSSIAN RIGHTS IN THE RAILWAY ZONE.

The Harbin Agreement between Russia and China—The Protest of the Powers with the Exception of Japan—The Arbitrary Action of the German Consul at Harbin—Nature of Russian Treaty Rights in the Railway Zone—Explanation of Local Administration Provided for under the New Agreement—Illogical Attitude of the Powers—German Consul's Action Described as Part and Parcel of Anti-Russian Policy Fomented by Germany in Manchuria—China Encouraged to Oppose Russia at Every Turn—Japan Likely to Be Incensed against Russia by such Development—Comment of the Russian Press—Talk of Japanese War Preparations as Aimed at Russia in North Manchuria and East Siberia—Russian Fear of Japan Apparently Shared in a Modified Degree by all the Powers—The Recall of an American Minister to China a Sop to Japan.

I now come to the question of the administration of Harbin and of other settled areas of the Russian railway zone, as it is affected by the latest understanding with China, to which the Powers have objected. The question is of paramount importance inasmuch as its solution directly concerns Japan's position in South Manchuria, where she will naturally claim all the rights conceded to Russia in the northern sphere of influence. In the final resort, of course, the Russo-German conflict at Harbin, as merely the inevitable outcome of the decidedly illogical attitude of the protesting Powers in this controversy, points to the urgent need of a speedy and an authoritative definition of the meaning of extra-territorial rights in China. If Russia, nominally typified by the Russo-Chinese Bank, had no right in the first instance to enter into the

Treaty of 1896 with China, whereby the question of the administration of the expropriated area was reviewed merely in general outline, or if China had no right to confer such privileges upon Russia, how comes it that Japan is permitted to succeed to what are virtually similar privileges in South Manchuria, including the tenure of the lease, or usufruct of the Kwantung territory, which Russia originally acquired from China; the more so in view of the fact that the privileges enjoyed by Japan in the Kwantung Province to-day are far greater than those at present exercised by Russia at Harbin and elsewhere in North Manchuria? In order to clear up any misunderstanding which may still exist as to the terms of the Russo-Chinese Bank's Treaty with China, upon which Russia bases her title to the railway zone of North Manchuria, I cannot do better than translate the actual language of the article (VI.) which deals with this very subject:

Article VI.—Lands actually indispensable for the construction, exploitation, and defence of the line, as also lands situated in the neighbourhood of the line, indispensable for the acquisition of sand, stone, lime, etc., shall be presented to the Company free of charge, if they belong to the (Chinese) Empire; if, however, they belong to private parties, they may be offered to the Company for a specific sum, or rented from the owners by the year, at the current prices. Lands belonging to the Company shall be exempt from every description of land-tax.

The administration of these lands shall be the exclusive and absolute right of the Company.

The Company has the right to erect on these lands any kind of structure, and also to establish and operate the telegraphs necessary for the needs of the line.

All revenues of the Company, collections, and tariffs with reference to goods and passengers, the telegraph, etc., are exempt from any description of tax and duty. Mines constitute the sole exception to this right, for which a special treaty will be concluded.

In 1901 a further treaty was concluded with regard to the institution of the Chinese body known as the Tsiao-she-tsui, the first two articles of which read as follows :—

Article 1.—In Harbin, of Kirin Province, is established the Tye-lu-tsiao-she-tsui (Chief Bureau of Railway Affairs.) With this object is appointed a special staff of Chinese officials, of whom some have their constant residence at Harbin, while others are distributed along the line, in the ratio of one official to each chief of a section, these latter, nevertheless, being directly amenable to the control and authority of the Harbin Tsiao-she-tsui.

Article II.—The Tsiao-she-tsui is instituted for the final decision of all matters arising in Kirin Province, if these matters directly or indirectly affect the interests of Chinese subjects, not only those who are working on the railway, such as workmen of every kind, artizans, labourers, contractors, and purveyors, but also in equal degree matters concerning all other Chinese subjects, such as merchants, traders, servants, and other Chinese, temporarily or constantly living

within the railway area of expropriation, even though the class of work in which they are engaged has no direct connection with the railway.

The latest agreement between the Russian and Chinese Governments (concluded in May, 1909) arose out of the protest of the Chinese Government against that part of the 1896 Treaty which bears upon the introduction of public administration in Harbin and other settlements of the railway zone. In a strictly legal sense, China had a very weak case, and Russia's consent to the new arrangement was in the nature of a concession, but one which is to be welcomed as creating a wholesome precedent in the direction of a wider recognition of China's sovereign rights within her own territory, the true reason for the original grant of special privileges being plain enough. Even among Russian publicists, opinions differ widely on the subject of the change which the new agreement has introduced into Russo-Chinese relations, a paper like the *Novoe Vremya* arguing that while, on the one hand, the agreement confirms the inviolability of all the treaty rights of the Chinese Eastern Railway, yet on the other, its *raison d'être* would seem to be the infringement of these very inviolable rights. Mr. I. Dobrolovsky, writing in the *Vyestnik Azii*, or *Asian Messenger* of Harbin, the organ of the Society of Russian Orientalists, makes it fairly clear that the voluntary transfer by the Chinese Eastern Railway Company of the right of public administration to the residents themselves is the surest guarantee of the prosperity of the

Russian settlements. "The sole concession," writes Mr. Dobrolovsky, "which is permitted by the agreement in contravention of the independent Russian administration of the railway zone, which has obtained heretofore, is the grant of control of the activity of public administration to the President of the Chinese institution of the Tsiao-she-tsui (Railway Bureau) on terms of equality with the Russian President of the railway. But this concession emanates from the former agreement concerning the competence of this institution, and the fundamental contract of the Russo-Chinese Bank with the Chinese Government."

The full text of the latest agreement has already been published in the foreign Press, and it should not be necessary here to do more than point out that, under Articles VI. to XIV. inclusive, representative municipal government, irrespective of nationality, is absolutely provided for. The character of this municipal administration can be described in very few words. The residents of the railway settlements are empowered to elect delegates who in their turn appoint an Executive Committee, the franchise in each case being extended to all nationalities, including, of course, the Chinese. Indeed, according to the *Novoe Vremya*, it is to this last-named provision that we must look for the true reason for the protest of the foreign Powers. The membership of the Executive Committee, as elected by the above-named delegates, must not exceed three, but both the President of the Chinese Eastern Railway and the President of the Chinese Railway Bureau are entitled to appoint one

member each on this committee. The Chairman of the Assembly of Delegates is also the Chairman of the Executive Committee.

A good deal of capital has been made out of the fact that the resolutions of the Assembly of Delegates have to be submitted for final approval to the President of the Chinese Eastern Railway and the President of the Chinese Railway Bureau, but the point is conveniently ignored in this context that, in the event of any disagreement on the part of the above officials with the findings of the Assembly, these findings are referred back to the latter for reconsideration, and should they be confirmed by three-fourths of the votes of those present at the meeting, they must be adopted as obligatory. In view, then, of the fact that no municipal impost can be levied at Harbin or elsewhere upon either Russians or foreigners without the consent of the representatives of the community, irrespective of nationality, the protest of the Powers must be pronounced singular, to say the least, unless its authors wish to be interpreted as affirming that it ought to be possible to manage a town like Harbin without the collection of any municipal rates whatsoever, though I have yet to learn that such a blissful and Utopian state of affairs has been realized by any of the foreign settlements at Tientsin, Shanghai, and Newchwang.

The Russian position is made all the more impregnable in the light of the perfect freedom which every other Power enjoys to establish, if it so wishes, its own settlement at Harbin. Hitherto, however, no

effort has apparently been made to take advantage of this right, and all foreigners, with singular unanimity, prefer to live in the Russian settlement. It is equally interesting to note that the majority of these foreign residents, on entering the Russian settlement, signed a written undertaking whereby they agreed to pay their proper share of such local levies as might be deemed requisite from time to time for the up-keep of the settlement itself. And yet, on the conclusion of an agreement which actually confers upon those very foreigners a right of participation in the government of the settlement, including the levying of rates, which they had never previously enjoyed, they blandly refuse—at the instance of their Consuls—to contribute another cent to the maintenance of the community in which they live and whose protection they enjoy! In these circumstances the Chinese Eastern Railway would be abundantly justified in simply ignoring the existence of these malcontents, in the sense of declining to extend to them the numerous courtesies which nowadays every resident is free to share. Why should the Russian police force stir a step to protect the lives and property of persons who, by abstention from payment of local rates, part of which goes to the maintenance of the force, virtually refuse to acknowledge the existence of the latter? Sauce for the goose is sauce for the gander. Similarly with regard to the fire brigade, the telephones, the post-office, hospitals, schools, lighting, water, etc.

One might feel some respect for the objector who showed his sincerity by removing to the Chinese

quarter, there to avail himself of purely Chinese public utilities, or for the objector who established his own settlement—as the representative of the Power to which he owed allegiance—all by himself, if need be. On the other hand, what would an Englishman, a German, or a Frenchman have to say in favour of the alien who, albeit a resident of the English, German, or French settlement of Tientsin or Shanghai, nevertheless declined to conform to the local regulations therein existing? Sovereign rights in Shanghai belong to China, but municipal arrangements depend solely upon the administration of the settlement. The situation is almost on all fours with this at Harbin. Harbin has been opened to foreign trade, and areas have been set aside there for the establishment of settlements on identically the same conditions as those obtaining in other settlements of Europeans elsewhere in China. It is therefore almost impossible to imagine a more illogical and ungracious attitude than that assumed by the Powers in this protest relative to the latest Russo-Chinese Agreement, and to the former German Consul at Harbin, now deceased, belongs the palm for assertiveness, as exemplified in his summary removal of the Russian seals from the "Harbin" brewery and the raising of the German flag over that imposing establishment.

And yet, amusingly enough, so long as Harbin continued to be governed exclusively by the adminstration of the railway, no protest whatever was forthcoming from any of the Powers. But no sooner does the Russo-Chinese Agreement of May, 1909, come into

force, by virtue of which Chinese residents and the Chinese authorities are admitted to a share in the municipal administration, than all the Powers, with the natural exception of Japan, raise a "friendly" protest. Assuredly the *Novoe Vremya* is amply justified in commenting as follows on this phase of the situation: "They do not understand how any active share in the administration of a European population can be extended to the yellow races. A German, Englishman, or American cannot reconcile himself to the thought that he will have to submit to the decision of a municipal council which is composed not only of Europeans but also of Chinamen." *

Happily, it now seems probable that the Powers will yield on the point of municipal administration, it being clearly stipulated on Russia's part that she does not claim any right of *legal jurisdiction* over the persons of foreign subjects resident in the Russian settlement of Harbin or elsewhere within the railway zone. Extra-territoriality obtains at Harbin, as it does elsewhere throughout China, and though the Russian

* The Peking correspondent of *The Times* has very naturally, perhaps, called attention to Art. II. of the Portsmouth Treaty, whereby both contracting parties pledge themselves to restore "entirely and completely to the exclusive administration of China all portions of Manchuria now in the occupation or under the control of the Japanese or Russian troops", with the exception of Liaotung. Read in connection with Articles VI. and VII., however, which deal respectively with the transfer of the Changchun-Port Arthur line to Japan and the exclusively commercial and industrial exploitation of both the Japanese and Russian lines thereafter, no ambiguity can be claimed as to the meaning and intention of the two contracting parties. China was quietly permitted to conclude and implement the Treaty of 1896 with the Russo-Chinese Bank, nor did any of the Powers move a finger to limit the rights of either Russia or Japan when the Portsmouth Treaty was framed. It is therefore just a little late in the day to protest against the Agreement of 1909 between Russia and China, seeing that this instrument, as already insisted, actually modifies rights granted thirteen years ago and then unchallenged by the Powers.

police may arrest a foreigner caught in *flagrante delicto*, they must at once surrender him to his Consul for trial. Technically, therefore, the Russian authorities were in the wrong when they affixed seals to the German brewery on the failure of the owner to pay the municipal taxes; but when it is remembered that until recently there were no foreign consuls at all at Harbin, the error might have been pointed out in a more diplomatic manner. As it is, indignation among the Russians rose to such a pitch — not unnaturally — that for some time the Germans were threatened with a wholesale boycott throughout North Manchuria,—a contingency which, in view of the wide extent of German economic interests in the region and their dependence to a large extent upon Russian patronage for their prosperity, would have been nothing less than disastrous.

The *Novoe Vremya* does not hesitate to ascribe the Harbin incident to something more far-reaching than the personal initiative of Herr Daumüller. It declares that the Consul's action was closely connected with Germany's secret policy in the Far East, the object of which is to meet Russian influence everywhere and whenever possible with passive resistance, in order to provoke estrangement between that Power, China, and Japan. This notoriously anti-German organ continues in the following strain :—

"As far back as the spring of this year (1909) we received a communication concerning the convocation at Berlin of a special conference on Far Eastern affairs. At this conference there was worked out a

scheme of German policy in North Manchuria. Its essence consists in meeting Russian influence with passive resistance, wherever this is possible. The result of this policy will be the inevitable estrangement of Russian relations simultaneously with China and Japan. The Chinese, encouraged by the German advance against Russian authority, will oppose Russia. Russian diplomacy, of course, will give way to Chinese demands without considering their foundation or the consequences that are likely to follow such concessions. Every concession in questions of jurisdiction connected with the railway zone will inevitably react upon the interests of Japan, who enjoys in the southern section of the Chinese Eastern Railway the same rights as remain to Russia in the northern section. Thanks to this there will be created in Tokyo a gratuitous occasion for dissatisfaction with Russian policy in Manchuria." This outburst is followed by a characteristic attack upon Mr. Adolf Dattan, the German Consul at Vladivostok and head of the well-known firm of Kunst & Albers at that port. The *Novoe Vremya* states that Herr Dattan was actually present at the above conference, and assisted in the preparation of this plan for the destruction of Russian influence in the Far East, and that it was owing to his representations that Herr Daumüller, a well-known Russophobe, was appointed German Consul at Harbin.

Comment less personal, but equally emphatic, appeared at the time in other Russian metropolitan papers. While belittling the incident itself, the *Bourse Gazette* declares that it has had the useful result of

once more concentrating Russian attention upon the Far East, and that none too soon. "Having witnessed the termination of the unhappy war," says this paper, "Russian society, so to speak, calmed down over the Portsmouth Treaty, just as though this document really guaranteed any lasting order of things. And although news of the colossal military preparations of Japan continually penetrates into our newspapers in a roundabout way via London, Washington, and Paris, and although it is known to all that the victors of yesterday are getting ready for a new war, absolutely nothing is done by us either for the prevention of another collision, or for the preparation of the country for the possibility of fresh sufferings. The Harbin incident has reminded us of probable and even unavoidable complications, which are being fostered for the most part by the fact that there no longer exists any authority in the Russian name in a region where so many millions have been squandered and so many lives engulfed for the sake of Russian interests. In the boundaries of the Harbin concession the German diplomatic representative does not recognize the indisputable rights of Russia, but this is a mere trifle in comparison with the dominance of the Japanese throughout Manchuria, with Japanese demands addressed now to Russia and now to the Government of the Celestial Empire. Such demands are possible only because in Tokyo the Portsmouth Treaty is looked upon as something temporary, which commits the victors to nothing. Properly speaking, there is being repeated to-day that

which we noted in the summer of 1903: the conviction which dominates us is that the Japanese will not begin a war because Russia wants peace. But the Japanese are actively preparing for war—preparing with no less energy than in 1903. The difference is but this, that six years ago they made their preparations among themselves at home, on their own islands, whereas now Korea and Manchuria serve them as a wider arena. If this truth and its serious meaning are stubbornly ignored, it is not difficult to find the explanation. Our domestic confusion is obscuring from our view those phenomena of international life which render it incumbent upon both the Government and the public to betake themselves to resolute, unanimous, and systematic labour."

The *Bourse Gazette* goes on to quote a writer in the *Revue des deux Mondes*, who avers that the Japanese are thoroughly well posted, as undoubtedly they are, on what is going on in Russia, and that the political marasmus to which that great country is doomed is the guarantee of their renewed military successes. "Our Russian allies," adds this writer, "will do well if they cease to console themselves with the idea that the victors of yesterday are going to descend upon the possessions of the United States." He refers to the alleged assurance of English and American correspondents in Tokyo and other Japanese towns, that the scene of the next war will be North Manchuria and that, too, in the no distant future! "We alone," continues the *Bourse Gazette*, "remain deaf; we believe, or pretend to believe in the wording

of the Treaty, and it needs some rude incident, in the nature of the Harbin one, to remind us that in the Far East we have affairs of a very important character which call for solicitude and protection. All this exposes our country to the great danger of again being overtaken by events when we are not ready for them. The Harbin incident is almost adjusted, thanks to the friendly relations which have long existed between Germany and Russia. These relations both countries ought to cherish—they are necessary in an equal degree to both neighbouring empires. It is only by remaining on friendly terms with Russia that Germany can peacefully carry on her world colonial policy. Only by remaining on terms of friendship with Germany can Russia defend her vital interests in the Far East, where surprises are always possible of an incomparably more unpleasant nature than the Harbin incident."

Without going so far as to endorse the whole of these alarmist conclusions, those who have devoted any serious study to the question of Russian treaty rights, must admit that Russia is not in North Manchuria merely by the grace of this or that Consul who, as a Russian writer in a Harbin paper well says, may see fit to invent " incidents " or condescendingly refrain from making them; but she is there with at least as good a title as the Japanese in South Manchuria. Action and reaction are equal and opposite. Russia was inclined to be too self-assertive before the war, and the inevitable Nemesis overtook her : to-day, on the other hand, her representatives

appear to have gone to the other extreme, with the result that Russian vested interests are in danger of being seriously jeopardized. It must be the task of Russian diplomacy to determine the conditions of Russian rights in North Manchuria at the earliest possible moment. If the Powers are now unanimous in contending that China had no sovereign authority to enter into the Treaty of 1896 with Russia, on the ground that its terms are subversive of the most-favoured-nation and "open-door" principles, though the protest appears a trifle belated, it is just as well that the point should be made perfectly clear, and that, *pari passu*, the limitations which they seek to impose upon Russia in the north should be imposed upon Japan in the south. Indeed it is difficult to avoid the conviction that the protest against the latest Russo-Chinese Agreement is merely an indirect way of conveying to Japan a hint which the protestants were too bashful to give that Power direct, whereas *vis-à-vis* Russia it was vulgarly a case of "'it 'im again; 'e's got no friends!" This may be a very crude and an undiplomatic summary of the situation, but I am personally convinced that in this respect the Russian Press is abundantly justified in writing as it does. And as pointed out earlier, this protest is all the more sinister coming on the heels of a voluntary attempt on the part of Russia and China to extend to all nationalities within the railway zone rights which hitherto they have never enjoyed.

Whether they ought to have enjoyed them or not is quite beside the present issue. The cold fact remains

that they were afraid to demand them when Russia was supposed to be all-powerful, and for the same reason, when Japanese rights in South Manchuria are on the tapis, it is necessary to move with a good deal more circumspection and ceremony than when it is a question of embarrassing Russia in the north. It may be merely a coincidence, of course, but no sooner does it come to light that an American Consul-General has had the temerity to criticize Japanese official methods in South Manchuria than that Consul-General is recalled. An American Minister *en route* to China is supposed to have inadvertently, indiscreetly, and prematurely disclosed the fact that the American Government was on the point of organizing a joint protest against the terms of the Sino-Japanese Agreement; this news is cabled to Japan, and forthwith that Minister is recalled, and instead of a protest, we have Secretary Knox's announcement that there is nothing in that Agreement in contravention of the principle of the open-door and equal opportunity,—this on the strength of an alleged Chinese and Japanese official assurance, although singularly enough, it was officially denied in Tokyo that any such assurance had been asked for or given, as far as Japan was concerned! A Japanese paper has accused Japan of opening Port Arthur to foreign trade because her fear of America has reached the "white-heat pitch," but it seems to me that the phrase might without undue exertion be given another objective.

CHAPTER XII

THE YELLOW PERIL FROM A RUSSIAN STANDPOINT.

Panic Utterances of Russian Publicists in Russia Proper and East Siberia —Chinese and Manchurian Elements Said to Despise Russia as a Power Incapable of Reaching a *Modus Vivendi* in the Far East—Statement that Japan is Systematically Preparing for a New War between 1911-13—Japan to Capture Kamchatka and the Ussuri Region and Sell Them to America in Order to Repair Her Finances—Japan and China Preparing to Divide All Asia between Them—Absolute Failure Ascribed to Mr. Izvolsky's Far Eastern Policy—Varied Phases of the Doctrine of Red Ruin—The Brilliant Diplomatic Achievement of Japan as Seen in the Latest Agreement with China—Chinese Fears—Dispassionate View of Japanese Strategical Advantages over Russia.

In my introductory chapter I have referred in general terms to the almost complete collapse of national self-confidence which on the Russian side is undoubtedly one of the most melancholy aftermaths of the Russo-Japanese War. It is assuredly not for Englishmen familiar with the panic utterances of some of our own writers, when the possibility of a German invasion is being considered, to throw stones at Russia in this regard, but the persistency with which this apprehensive and warning note is everywhere sounded becomes in the end monotonous and even irritating to the disinterested outsider. I am here dealing more particularly with public sentiment in East Siberia and North Manchuria, but as a diligent reader of the Russia Press, I am in a position to assert that the belief in pending danger in the Far East is shared by the "intellectuals" of both European Russia

and Siberia, though the subject is probably discussed with more portentous frequency by Vladivostok, Harbin, Khabarovsk, and Chita than by Moscow and St. Petersburg. Lest I should be accused of unwarranted generalization, I have thought it well to include in the following pages some of the more striking Russian press utterances, selected almost at random from my collection, which is anything but exhaustive.

A. N. Bryanchainoff, writing in the *Ryech*, under the caption "Far Eastern Perspectives," begins his article with these ominous words: "With feelings of unutterable anguish and gloomy foreboding for the fate of the Fatherland I am required to take up my pen with the object of drawing the attention of readers who have no desire, like the irresponsible controllers of our foreign policy, to shut their eyes in order not to see, and to stop up their ears in order not to hear, to the tidings which are coming from the Far East..... China with all the passion of a neophyte has inoculated herself with the Japanese vaccine of militarism; Japan is straining to the utmost degree her financial resources for the doubling of her land forces, despising (*sic*) her fleet; Korea has been converted into a parade-ground for the movement towards Vladivostok; the Americans on whom (the Japanese) turned their backs in the Palace Square (*sic*), have settled their differences with the Japanese, whom they influenced not by fawning, but by the firm determination to defend the principle of *suum cuique*. Finally, the *rapprochement* of the German group with Japan for combined pressure upon Russia from the West

and East, coincident with the cooling of the Anglo-Japanese Alliance over India—such are the factors of unstable equilibrium the resultant of which will inevitably be directed against us as against a Power not only feeble but also incapable of healing the wounds which are visible to all. But besides these indications, there is an undoubted, incontrovertible fact, to ignore which is impossible and the conclusions from which are as unquestionable as the axioms of logic; it is not to be doubted, for example, that the secret agreement for the partition of Manchuria, which the Ministry somehow managed to secure as the price of the signing of the Fishing Convention, as we foretold, has been transformed into a sort of Mephistophelian treaty, by means of which the Japanese hold M. Izvolsky in their hands. At the same time, without making use of this treaty to the detriment of the Chinese, but, on the contrary, inciting us to make use of it, the Japanese undeviatingly and gradually are promoting Russo-Chinese estrangement and Chino-Japanese *rapprochement*. It is also undoubted that the Japanese have already increased the peace footing of their victorious three hundred battalions to four hundred and seventy-five—against whom? The answer is clear to all Far Eastern experts without exception, who are not inspired with the Dantonism of the Ministry. It is even indubitable that, exactly as before the war of 1904, all our possessions in the Far East are hemmed in by Japanese spies, who systematically pry into and report about everything. There is, however, a difference

FIELD-MARSHAL PRINCE YAMAGATA.

and this by no means in our favour: before the war of 1904, Russian prestige in the Far East was colossal; the Russians were deemed the more powerful, and in consequence the undecided Chinese and Manchurian elements adhered to us and not to the Japanese, whom they despised. Now they ignore us, and this not so much for the unfortunate campaign as for the new inability which we have disclosed during the last two years uniformly to strengthen ourselves in the Far East and to work out a fixed *modus vivendi* with our neighbours. Although, according to historical indications, the Chinese do not sympathize with the Japanese, still after the war and Japanese activity in South Manchuria, they respect and imitate them."

After dwelling upon the public dissatisfaction which greeted the conclusion of the Portsmouth Treaty, this writer goes on to assert that the Japanese Government hastened to explain to the country that peace was indispensable as a breathing spell, and was dictated by financial depletion and the transference of the sympathies of England and America to the Russians. The Japanese Government, however, then proceeded to elaborate a plan in secret conclave with the Elder Statesmen, wherein the late Prinec Ito is said to have played the principal rôle. This plan was inspired by the one passionate desire, shared by every Japanese, to win for Japan in East Asia, and as far as possible, in the Pacific Ocean, an unconditional hegemony. "As wise and secretive politicians the Japanese understand full well that the announcement of such a plan would mean an immediate coalition

against them, not only of all the whites, but it might be even of China. This same council, therefore, which during the winter of 1905-1906 considered the plan of a systematic approach to the national ideal, also established the strictest secrecy in its fulfilment, and summoned to its aid all the patriotism of Japanese statesmen, diplomatists, and writers for the lulling of European attention with the phrases that Japan is digesting her victory; that she is not warlike and is but healing the wounds of the war; that she is not dreaming of any fresh conquests, etc., etc. Then suddenly the position was changed, and all began to work unanimously upon the preparation of a new stage in the rising of the Japanese sun. To put off indefinitely the realization of this plan is impossible for the Japanese, on many grounds. Although the fighting ability of the Army and Navy is transferred by tradition to succeeding generations, none the less it is impossible to find a substitute for the personal fighting experience of those in command. Thus, from the technico-military standpoint, it is incomparably safer (for the victors), after having made good their material losses, to finish the business with the selfsame staff of officers. From a broad political standpoint it is also impossible to procrastinate, inasmuch as the Mikado himself is not a politician of prominent ability, and all the glorious achievements of his reign have been accomplished by the group of Elder Statesmen who form a compact circle around him, with Prince Ito at their head. These *Genro* have authority in the country and overawe both Press and Parliament, and

are besides fully agreed among themselves. The days of these great Japanese patriots are not eternal, and they doubtless feel that after their death an outburst of domestic dissension and contradiction will be unavoidable, though they have hitherto succeeded in reconciling the jarring factions. Consequently, it is not open to any doubt that far-seeing Japanese statesmen have decided on, and are systematically preparing for, the consummation of the campaign of 1904-5 in the near future, more precisely, 1911-1913 (!) : the first date is critical as the limit of the term of the present foreign commercial Treaties ; the second as the date of the conclusion of the formation of the Chinese regular Army, which is being trained by Japanophil officers."

The *Kharbinsky Vyestnik*, devoting a long article to an account of the expansion of the Japanese Army since the war, arrives at the following staggering conclusion: "Against whom are all these military preparations directed? Not against Korea, which has already in every respect been converted into a Japanese province. Not against China, who during the last five years of her awakening has proved to her observant neighbour her entire inability really to awake, and the utter futility of the military reforms hitherto undertaken. We must perforce lend an ear to what is said in Japan itself. The Japanese sleeping and waking foresee a new war with Russia, the commencement of which is set for the spring of 1912. They propose to take from us Kamchatka and the Ussuri region and, having sold them to the Americans, repair their finances!"

The virus of self-abasement has eaten even more deeply into the soul of a writer on the St. Petersburg paper *Svyet* ("Light"), who indulges in the following lament: "There are rumours abroad to the effect that it is intended to dispose entirely of the Manchurian railway. We have on several occasions spoken about our position in the Far East, and we hold to the same view that in that region we have neither friends nor well-disposed neighbours. This region is a powder-magazine, which will explode on contact with the first spark which falls into it. We do not believe the assurances of diplomatists that all goes well there and that peace is guaranteed. The journey of the Minister of Finance, M. Kokovtsoff, to the Far East, is connected with the fate of the Chinese Eastern Railway. They either wish to sell it or transfer it to China or Japan. We will not argue against the contention that this line is a heavy burden upon the exchequer and annually requires Russian millions, and that it is a losing concern, especially under our disorderly management and owing to our inability to conduct business. It is quite possible that among our diplomatists and statesmen there is the wish to get rid of the line as soon as possible, and then let come what may. Some of the members of the Douma are opposed to the line. A melancholy and fatal error! We will admit that this line, even under the best management, will entail a loss. What then? Sell it to the Chinese or, with the consent of the Chinese, to the Japanese? Neither one nor the other. Of two evils one must choose the lesser, and the lesser in this case is to retain possession of the

MARQUIS INOUYE, ONE OF THE *Genro* OF JAPAN.

railway. At the present time Manchuria is being covered with a network of lines which have enormous strategic importance. The Chinese are strengthening themselves and are regenerating their Army. The Japanese are also actively arming themselves, building naval and military ports, assigning to the construction of barracks along the Russo-Korean boundary six million roubles. The two yellow peoples are preparing for something. By transferring to them the remaining portion of the Manchurian line, we with our own hands would be preparing the destruction of this region. The Chinese and Japanese, having one chief railway line and a large number of others uniting important strategical points, are able in the course of several days to hurl against Vladivostok and the whole of our frontier entire armies, and we cannot prevent this. It is obvious that we cannot sell the railway to the yellow peoples. It is, moreover, impossible to subject the Empire to serious danger because our diplomats have committed a series of blunders in Manchurian policy. If in the future should be raised the question of the sale of this ill-starred railway, then this cannot be before our Far East has become a single invulnerable fortress . . . . . It is said that our diplomats are convinced that in the Far East we ought to be polite and oblige our antagonist, give way to him, and not irritate him. To think that by politeness we are showing China and Japan our love of peace and will thus earn their recognition is a big mistake. *The Chinese and Japanese have already divided Manchuria between them.* It may be that they have also divided

the entire Far East and all Asia! It is therefore incumbent on us to speak not of friendship or alliance with them, but of defence against the ambitious schemes of these two yellow Empires."

Another writer, quoted by a Vladivostok paper, categorically declares that the interests of the Russians and Japanese in Manchuria are diametrically opposite and even hostile to each other, and that any kind of agreement with Japan is impossible. He goes on to say: "It was not for nothing that the Japanese Press immediately after the war gave utterance to the conviction that with this war had been concluded only the first part of the campaign, and that now, for the final victory, it would be indispensable to consummate the second part, viz., the economic conquest of North Manchuria. And this task the Japanese are carrying while we—we are only now beginning to consult on what to do."

It would be in the highest degree surprising if the latest Sino-Japanese Agreement relative to Manchuria had not called forth from Russian sources a deep bass chorus of envious acclaim of Japan's "masterly diplomacy," and an equally insistent comparison between Japanese genius, on the one hand, and alleged Russian ineptitude, on the other. It is no less certain, however, that were the Russian authorities to address themselves strenuously to the task of converting the whole of East Siberia, from Irkutsk to Vladivostok, into an armed camp, vociferous denunciations of what would then be termed a "policy of aggression" would just as surely be uttered by these

FIELD-MARSHAL PRINCE OYAMA.

chronic detractors. The Mukden correspondent of the *Novoe Vremya*, for example, speaks of this Agreement as signalizing the final downfall of the policy of M. Izvolsky in the Far East as a whole.

"It must at last," he avers, "draw the attention of the Russian public to the gulf into which Russia is being gradually dragged by our prize diplomatists in China and Manchuria. Strengthened by the Treaty, the construction of railway lines gives final preponderance to Japan over Russia in a strategical connection, not only in Manchuria, but in the whole of the Far East. Introducing reforms into her Army with astounding rapidity since the war, Japan is now in a position to mobilize 940,000 men, without reserves, whereas at the end of the war, even with reserves, her forces scarcely reached these figures. But not satisfied with this, Japan is forming five more divisions which she hopes to complete towards the end of 1911. Splendidly-equipped ports in Korea, with others which are being finished, and a newly-created port, on which the sum of five and a half million yen has been expended, at the mouth of the Yalu, where we had our timber concession, with complete command of the sea and an enormous commercial fleet, enable Japan to pour an army into North Korea and the Ussuri region in not more than five days, while our troops, even with the greatest exertion, can scarcely reach the scene in fewer than thirteen days. But the significance of this victory of Japanese diplomacy is not exhausted in these gains alone. The railway from Kirin to Hoiryong and the

newly-opened free-port of Chhongjin in North-East Korea will divert all freight from the Chinese Eastern Railway, which will thus be reduced to a cipher, while Vladivostok will be ruined. We must also take into consideration the tremendous impression made on the population of Manchuria by the recognition which the Treaty gives to Japan's rights over the Fushun and Yentai collieries, which under the Russian régime were regarded as purely private enterprises; the ratification of the Tashihchiao-Yingkow branch, with the right to extend it to the walls of the town, whereas in our time it was regarded merely as a subsidiary line for the conveyance of materials; the right secured by Japan to work, albeit in conjunction with China, all the mineral wealth within a zone of thirty *li* on either side of the line, of which, of course, we never even dreamed. In a word, this Treaty gives check and mate to Russia in Manchuria, and almost throughout the Far East. This Treaty has the importance of an alliance, although perhaps a compulsory one, with China against Russia, which Japan, of course, denies, hastening to assure us that the Treaty does not contemplate any hostile intentions whatever towards Russia. According to instructions from St. Petersburg—so it is said here—our representatives submitted to China the following demands: The construction of a railway from Tsitsihar to Blagoveshchensk; the right to work the mineral wealth of Mongolia; the right to make pecuniary loans to the Mongolian princes; free trade in Mongolia; the abrogation of several, and the ratifica-

tion of other, treaties, etc., etc.; but all these new rights, even in the event of their entire realization, which it is permissible to doubt very much, concern the economic sphere almost exclusively, in which we have never distinguished ourselves by acuteness or ability, and the benefits from which are so contemptible and problematical that, under the constant menace of seizure of our entire borderland by the armed force of Japan, we opine that applicants for fresh investment of capital, whether for private or State undertakings, are hardly likely to be forthcoming."

In the light of the incorrigible Russian conviction —which, of course, is not necessarily universal—that Japan and China have something "up their sleeves" for the ultimate undoing of Russia in the Far East, it is instructive to compare some of the extracts quoted above with the views expressed by Chinese officials on this very Sino-Japanese Agreement, prior to its ratification. These views were aired in the correspondence which passed between the Wai-wu-pu and the Chinese authorities in Manchuria, for the publication of which two Chinese papers in Peking were summarily closed down. Clause VI. of the Agreement reads: "The Government of China shall undertake to extend the Kirin-Changchun Railway to the southern boundary of Yenchi, and to connect it at Hoiryong with a Korean railway, and such extension shall be effected upon the same terms as the Kirin-Changchun Railway. The date of commencing the work of the proposed extension shall be determined by the

Government of China, considering the actual requirements of the situation, and upon consultation with the Government of Japan."

The Viceroy of Manchuria telegraphed in this context to the Chancellor, Na-tung, pointing out that if the Chinese Government consented to the construction of a line from Kirin to Hoiryong, no matter what the conditions might be, the whole of Manchuria would speedily be immeshed in a network of Japanese lines, while China would be left without any room for the construction of railways on her own account. It was likewise pointed out that Russia, on the strength of these concessions to Japan, would demand compensation. In another dispatch he traced the history of the inception of the latest Japanese pretension. It is alleged that in the first place the Japanese, on the pretext of the inaccuracy of the boundary, decided to seize a portion of Chinese territory. (This statement, of course, has reference to the famous Chientao controversy, which ended in a nominal diplomatic victory for China, though by virtue of the foregoing Agreement, Japan acquired the substance of what she had been fighting for.) For this purpose they established steamer communication with Chhongjin, near Kyong-syong, and from the latter place built a road to Hoiryong, but then, when they received the right to take part in the construction of the line from Changchun to Kirin, they altered their plans, and instead of seizing a piece of Chinese territory, resolved to secure a share in the building of a line from Kirin to Hoiryong, which naturally offered them greater advantages.

MARQUIS MATSUKATA, FINANCIAL EXPERT OF THE *Genro* OF JAPAN.

The concession of the right of participation in the construction of the Changchun-Kirin Railway, on the part of the Chinese Government, was in the nature of a sop for Japan's consent to the Hsinmintun-fu-Mukden Railway. The Viceroy of Manchuria, while admitting that China did obtain something of a *quid pro quo* in return for this concession, warmly denounced the Chinese Government's action in the matter of the Kirin-Hoiryong Railway. He insisted that China's case in the Chientao dispute was so strong that there existed absolutely no necessity for any such concession. He also dwelt upon the acute economic situation which would be created for the present Chinese population of Kirin Province when the completion of the Changchun-Kirin-Hoiryong lines had opened up the province to Japanese settlers and adventurers. The Japanese will soon have in their hands a perfected system which will comprise the lines from Port Arthur and Dairen to Mukden, from Antung to Mukden, Changchun, Kirin, and Hoiryong.

The tone of these remonstrances surely does not suggest that the Chinese are prepared to welcome the Japanese with open arms, or that the steady advance of Japan in Manchuria is contemplated by the Chinese without apprehension. On the other hand, the attitude of the provincial officials towards Russia is scarcely less complacent, and assuredly gives no hint of any underlying compact between Japan and China to conduct a joint war against the northern Power in the near future. On the contrary, the burden of the lament of these satraps is that, in the almost certain

event of a second struggle between Japan and Russia, China's position will be rendered unendurable. That Russia is preparing for a war of revenge seems to be taken for granted, and the fact is pointed out that the Siberian line is daily carrying munitions and supplies to Vladivostok, with a view to this contingency. "The main idea of the Russians," argues one of these representations, " is to wipe out on the fields of Kirin Province the disgrace of their previous defeats at the hands of Japan. The effort of the Japanese to seize Yenchi is explained by their desire to have at their disposal in this quarter a base for their military operations against the Russians. The Russians have the Chinese Eastern Railway which passes through the eastern portion of the province, whereas the Japanese are destitute of convenient means of communication in the above region, a state of affairs which, should war break out, would expose them to no small disadvantage. The Japanese, therefore, seeing that it will be difficult for them to hold Yenchi, decided ostensibly to alter somewhat their original plans and to agitate for participation in the building of a line which should bisect Kirin Province, so that, on a declaration of war, it may be possible for them to seize Kirin and other advantageous positions before the Russians. Undoubtedly Russia suffers great injury from this turn of affairs, and although she kept silent during the dispute on the Chientao boundary question, she will certainly no longer continue silent when she sees how the question has been settled. On seeing the privileges which have been granted to Japan, she

will demand similar ones, and thus the outbreak of another Russo-Japanese war will be accelerated, after which the position of China will probably become intolerable."

It is impossible to deny that Russian fears are entirely groundless, though one might wish that they could be voiced with a little more restraint. What, in a few words, is the position created by the reconstruction of the Antung-Mukden Railway and the new Sino-Japanese Manchurian Agreement? The completion of the former line will give Japan direct and unbroken communication from the shores of the island to the heart of Manchuria, with the trifling exception of ten hours' ferryage from Shimonoseki to Fusan. The route is as follows: Fusan-Seoul-Wiju, from Wiju across the Yalu by the immense swing bridge which the Japanese railway authorities are now building, to Antung; thence by the Antung line to Mukden and Changchun, emerging, so to speak, on the flank of the Chinese Eastern Railway, whose trunk-line is linked up with the Japanese South Manchurian system by means of the branch from Harbin to Changchun. Prior to the last Agreement between Japan and China, the Antung-Mukden Railway had a very qualified value, and in view of its many defects as a light railway, hastily built during the war, could not be said to possess any great strategic importance; it was wholly subsidiary to the trunk-line of the South Manchuria Railway Company. Its conversion to standard gauge will make all the difference in the world in the event of future complications with Russia, since the Japanese will then be in

a position of immense superiority over the Russians as regards means of communication. They will have, on the one hand, a double track from Dairen to Changchun, and, on the other, a single track from Antung to Mukden. The completion of the Changchun-Kirin-Hoiryong lines will further give them an alternative route from the north-eastern coast of Korea to the last-named point, which is not much more than seventy miles from the new free-port of Chhongjin, with which it is already connected by a light railway. Changchun is about one hundred and fifty miles from Harbin and, of course, the gauge of the Russian branch line between these two places differs from that of the Japanese, but if once the line fell into the hands of the Japanese, it would be a comparatively simple matter for them to intercept the Chinese Eastern Railway at Harbin, while another army would be free to operate on the flank and in the rear of Vladivostok from the Kirin direction. With a big force and ample supplies concentrated at Pingyang, or even a hundred and sixty miles nearer at New Wiju, it would not take the Japanese long to throw a huge army into the heart of Manchuria, the distance by rail from Pingyang to Mukden being, approximately, three hundred and forty miles, and from New Wiju to Mukden about one hundred and eighty. Changchun is one hundred and eighty-eight miles further. From Dairen to Changchun the distance is four hundred and thirty-four miles, and in the Kwantung territory, it goes without saying, Japan could rapidly amass troops at the first hint of

hostilities. Vladivostok is quite five hundred miles from Harbin, and the Siberian boundary to the north-west is more than a thousand miles distant.

As already indicated, a Japanese army could also operate against Vladivostok from the Hoiryong direction, or even further north, seeing that Japan would have undisputed command of the sea and would promptly invest the Russian port from the water. The inception of the Amur Railway project is the best proof on the part of Russia that she recognizes the peril of the situation. With such vast interests at stake it would be lunacy for her to pin her faith in the highly problematical immunity of the single track of the Chinese Eastern Railway from disruption at Harbin or some other point between that town and Vladivostok. She is at the further disadvantage that, whereas she cannot pour additional troops into Vladivostok without attracting the attention of the world in general and of Japan in particular, Japan, on her side, by virtue of her favoured geographical situation, must always be within easy striking distance of the enemy, and can therefore more readily mask her true designs. Naturally reluctant as a great Power to commit the integrity of her boundaries to the tender mercies of Japan, Russia has had to yield to *force majeure* and inaugurate the belated construction of the Amur Railway through exclusively Russian territory to Khabarovsk, thence to connect with Vladivostok by the Ussuri Railway. Should war break out before this line is finished, as not a few Russian publicists seem inclined to believe, and should the

Chinese Eastern Railway in North Manchuria by any chance be cut by the Japanese, Russia's only alternative route would be the Amur River navigation from Stretensk to Khabarovsk, the former town being connected with Chita by a branch line nearly three hundred miles long. The conditions for the speedy transport of troops and munitions of war would be bad enough during the seven months of steamship navigation on the river, when the journey from Stretensk to Khabarovsk—more than two thousand versts—takes a week or more, to which another day for the journey by rail from Chita to Stretensk must be added. For five months in winter the Amur trip has to be undertaken in sleighs on the frozen surface of the river, and those who have any recollection of what it meant to cross Lake Baikal at this season of the year during the Russo-Japanese War will be the best qualified to appreciate the tremendous handicap under which Russia would be labouring should she be deprived of railway communication at any stage of the campaign. If, moreover, we can persuade ourselves that there is any substratum of justification for belief in the possibility or probability of joint Sino-Japanese action against Russia, then it must perforce be granted that the position of that Power in the Far East is a desperate one indeed. If Great Britain is obliged to build *Dreadnoughts* to provide against the eventuality of war with Germany, can it be reasonably pretended that Russia will have no ground for converting her East Siberian frontier into a bulwark of bayonets and big guns against Japan and China?

CHAPTER XIII

THE YELLOW PERIL FROM A RUSSIAN STANDPOINT (CONCLUDED).

Changed Attitude of the Chinese Deemed a Sinister Phenomenon—Chinese Soldiers Murder Commander of Russian Steamer—Russian Women and Children Grossly Insulted by Low-class Chinese—Systematic Disregard for Russian Treaty Rights Practised by Chinese Officials—The Institution of the Railway Bureau—Specific Cases Cited wherein Chinese Have Infringed the Terms of these Agreements and Acted without Russian Co-operation—Aigun Treaty Violated—China's Military Preparations on the Northern Frontier—Growth of Chinese Martial Spirit Encouraged by the Government—Rehabilitation of the Military Profession—Flood of Chinese Immigration into East Siberia—Outrages on Russian Villages by Chinese Hunghutzes—Chinese Colonization of Mongolia—The Chinese on the Right Bank of the Amur—Russian Fears of Revenge for Massacre of Blagoveshchensk—Universal Japanese Espionage—Harbin Business Men Urge *Rapprochement* with Japan in Preference to China.

RUSSIANS detect in the changed attitude of the Chinese further disquieting signs of the times. And that there is a change it would be useless to deny. This altered disposition is seen in the bearing of the individual Chinaman and in the policy of the Government. The former is nowadays quick to resent treatment from the Russian which, before the war, he would have submitted to without protest. The latter, with regard to an entire series of issues outstanding between the two countries, has adopted a tone which before the war would have entailed very serious consequences, but would, as a matter of fact, have been utterly impossible. I will quote a few instances.

Some months ago Chinese soldiers under command of an officer attacked and killed the commander of a

Russian steamer, as the latter lay alongside Futsyadyan on the Sungari. Representations were duly made by the Russian authorities and assurances were forthcoming that the offenders had been punished. In the bazaars and streets of Harbin itself, Russian women and children are sometimes exposed to vulgar insults by Chinese of the lower classes. The efforts of Chinese administrative organs in Manchuria to ignore as far as possible the treaty rights of Russia are, I am assured, too systematic to admit of any other explanation than that of deliberate design. For the better understanding of the next few cases on my list it is necessary to explain that in 1901 there was concluded between the Chief Engineer of the Chinese Eastern Railway and the Governor-General of Kirin an agreement for the institution at Harbin of a special Bureau for foreign and railway affairs, better known under the name of the Kirin Bureau. The second article of this agreement reads as follows: "The aforesaid Bureau is established for the final decision of all matters arising in Kirin Province, if these matters, directly or indirectly affect the interests of Chinese subjects, not only of labourers on the railway, such as employees of various kinds, artisans, workmen, contractors, and purveyors, but in equal degree the affairs of all other Chinese subjects, such as merchants, traders, servants, and other Chinese, temporarily or permanently living within the expropriated railway zone, even though the kind of work in which they are engaged may have no direct connection with the railway." The fundamental object of this agreement is

perfectly clear. It is at least to the credit of the Russians that having received this concession from the Chinese Government, they felt morally responsible for the adoption of measures calculated to afford assurance that no Chinaman resident within the railway zone should at any time be subjected to the horrors of so-called Chinese justice. The scheme of Mixed Courts was not objected to in any way by the Chinese authorities. In the wake of the Kirin Bureau was established the Tsitsihar Bureau, the agreement concerning which was signed on January 14th (New Style), 1902. In addition to the head Bureau at Harbin there were opened along the line branches of the same at such places as Manchuria station, Khailar, Boukhedu, Anda, Ashikhe, Imanpo, Khandaokhetzu, Moulin, Pogranichnaya, Taolaichzhoi, Yaomin, and Kwangchentzu. Prior to the conclusion of the two agreements mentioned above, a preliminary agreement was arrived at in 1899 on the subject of the opening of the Railway Bureau, in other words, the Kirin and Tsitsihar Bureaux are now more than ten years old.

Unfortunately three incidents which recently occurred within the railwayzone are calculated to temper the satisfaction which the completion of a decade of useful activity would otherwise inspire. On the run between Khailar and Ugyanor a fight recently took place between two Chinese passengers, as the result of which one of the combatants was stabbed in the stomach with a knife, and died. The murderer, however, instead of being tried by a Mixed Court, in accordance with the terms

of the agreement cited above, was seized by the Chinese police and handed over to the Futudun at Khailar to be dealt with. Almost at the same time at Tsitsihar station a Chinaman killed a Chinese woman and seriously wounded her daughter. The offender was taken before the Chinese President of the local Railway Bureau, but this official declined the honour of sitting in judgment on the case in the company of his Russian colleague, and instead surrendered the man to the Chinese Court. A still more unsatisfactory affair took place at the Yaomin station. Two Chinese foremen in the employ of a Russian contractor, who were working on the repair of the railway, quarreled, one accusing the other of inciting the men to strike. For some unknown reason the Russian gendarme declined to arrest the offender, whereupon the runners of the Yaomin Bureau themselves seized him and began to drag him across the rails in the direction of the Bureau. The workmen in the employ of the foreman, seeing his plight, overpowered the guard and rescued him. Hearing of this the President of the Railway Bureau requested the Russian police to arrest the disorderly workmen, which the police did. The President of the Bureau, without taking the trouble to invite his Russian colleague to join him in considering the case, settled it summarily. The chief ringleader was given four hundred strokes with the bamboo, which nearly killed him, and the others were reduced to the condition of cripples through the brutal flogging they received. The Russians are naturally asking themselves, What right had this

Chinese official to act independently and thus violate the basic idea of the Mixed Court system? These cases appear trifling in themselves, but they are of no small importance as helping to show in which direction the wind blows. Before the war no Chinese official in the above position would have had the temerity to so ignore the existence of the Russians, but nowadays such instances are of comparatively frequent occurrence.

The Russians further accuse the Chinese of deliberate violations of treaty provisions. It is contended, for example, that although under the Aigun Treaty Russian subjects are guaranteed the right of free trade and navigation on the Amur and Sungari Rivers, the Chinese authorities none the less subject Russian goods on the Chinese shore of the former river and on the Sungari to payment of duty. A protest submitted by the Russian Minister at Peking is said to have been returned. There is the further contention that the Chinese authorities ignore Russian treaty rights by subjecting Russian goods to the second payment of duty on their being imported into Eastern Mongolia via Manchuria, from Siberia, although they have already paid duty at Pogranichnaya. In a similar manner, the Chinese authorities are said to deny recognition of the principle of transit of Russian goods from one province of China—say Manchuria—via the Ussuri, into another province—say Shanghai. In such cases, calmly oblivious to the fact that these goods have already paid duty on transit from Manchuria into Ussuri, the Chinese Customs at

Shanghai impose the full maritime duty upon all such goods. It may be expected, of course, that the Russian Government will see to it that these points are dealt with when the Treaty of 1881 comes to be revised, which will happen shortly. One might safely hazard a guess as to the source of this inspiration to obduracy, as the Russians understand the position. If Mr. Dick could not keep King Charles's head out of his memorial, neither can the Russians exonerate the Japanese from complicity, direct or indirect, in all that detrimentally affects Russian interests in North Manchuria. The Chinese, under the ægis of Japan, are supposed to be following the line of least resistance, Russia to wit.

A Russian diplomatist, quoted by the *Novoe Vremya*, is credited with the following observations in this context: "The Chinese are hard at work on a railway for military transport on their side of the Amur, while we have nothing on our side, for it is still useless to speak about the Amur Railway, which is only just begun. The completion of the line and even the possibility of its unobstructed construction belong to the region of the problematical future, and to repose any hope in this enterprise would at the present juncture be entirely premature. Together with this, the Chinese garrisons in Manchuria are growing, both along the line of the Chinese Eastern Railway and the Mukden-Harbin branch. Against whom, may I ask, is China strengthening her northern frontier? We are paying but scant attention to the rapid growth and reorganization of the Chinese Army, forgetting

that the beginning of these military reforms was made by the Chinese Bismarck, Li-Hung-chang, who perfectly grasped the simple truth that the political and civilized predominance of Europe rests first of all upon military strength based upon the last word of technical skill. Since his day many years have elapsed, but his reforms have not only not been checked, but have received a powerful impetus, and with special energy have gone ahead since the Russo-Japanese War. The extent to which the military-patriotic movement has gained a hold upon the Chinese population is evident from the attitude of the people towards military service. Formerly this was despised, both in a moral and material sense, whereas to-day it is attracting to its ranks the sons of the best families, and the military brochures circulated by the Government among the people are becoming very popular. In these brochures military duty is extolled; the people are reminded of the humiliations to which China has been subjected by the foreign devils, and loyal servants of the Fatherland are adjured to rally to the flag. Judging by the speed with which the lists are being filled, the people are responding to this appeal. The training of the troops themselves, according to the unanimous testimony of the foreign military attachés who were present at the recent manœuvres of the modern Chinese Army, is being carried on ably, thoughtfully, and with success, amazing foreigners and forcing them to think. The weapons with which the new regiments are armed are of the latest European pattern, and the officers are no

longer Germans or Japanese, but Chinese who have been trained in the national military academies. There may be thirty or forty foreign instructors left, but even these have been notified that China can now attend to such matters herself. The liberality with which the Chinese Government appropriates funds for military purposes is also noteworthy. It goes without saying that with a nation of four hundred millions behind it, this newly-born Chinese Army has every chance of developing into a colossus. All these changes, which are being consummated under our very eyes in the Far East, affect Russia more closely than any other European Power, seeing that she occupies one-third of Asia and that her borders are immediately contiguous to those of warlike Japan and an awakened China. All complications in the Far East must in the first place react upon her. Without contemplating war with anybody, and desiring only that others may behave with the same honesty and display the same love of peace in their transactions as ourselves, we must still take care not to doze upon our distant frontiers, if we do not wish to be suddenly roused by a shock whose consequences may be incurable."

The Russians in East Siberia view with undisguised alarm the unceasing flood of immigration which China is pouring into the Priamurye instead of colonizing North Manchuria, and the movement in the direction of Mongolia is supposed to have some ulterior motive. The Amur and Maritime Provinces are said to contain at the present day more than one

hundred and twenty thousand Chinese labourers and merchants, who are accused of depriving the Russians of work and paralysing trade. However, this danger, for the time being at any rate, might be checked by anti-Asiatic legislation, as in America, and it is understood that the question will soon be raised in the Douma. The proximity of the Chinese border brings other even more concrete evils in its train, viz., murderous attacks by Chinese Hunghutzes upon the Russian frontier and coast population. It is alleged that of recent years these forays have largely increased and have reduced the Russian peasantry to a condition of absolute panic. Within a single week, more precisely between June 26th and July 1st, 1909, no fewer than four of these outrages were perpetrated by Chinese bandits against Russian villages along the Ussuri coast. On the 26th June, an attack was made upon Brounovka; on the following day upon Poutsilovka; on June 28th upon the big trading centre of Shkotovo; on June 30th upon Prokopyevka. The descent upon Shkotovo closely resembled a military engagement. Two detachments of Hunghutzes, fully a hundred strong, and armed with repeating rifles, invaded the village in the dead of night and opened fire upon the place. Luckily for the inhabitants, there chanced to be a company of dragoons in the village, and without loss of time they seized their weapons and returned the fire of the enemy. The fight lasted until two o'clock in the morning. The Chinese expended—so the story goes—two thousand cartridges and the dragoons eight

hundred. The Hunghutzes finally fled, some taking to the hills and others escaping in boats by sea. The sum total of the casualties, however, does not appear to have been at all commensurate with the uproar created. It is not stated how many of the enemy were killed, but one Russian was shot and a friendly Chinaman badly wounded. The Hunghutzes vary their activity by kidnapping the children of the more well-to-do Russians whenever an opportunity offers, with the object of demanding ransom. On the whole the situation in the more isolated parts of the country is not calculated to attract settlers, and the charge is made that the Chinese authorities, on their side, are more or less supine, doing little or nothing to keep the lawless elements in check.

More than one Russian writer has borne testimony to the steady stream of Chinese into Mongolia. The town of Urga, three hundred versts from Kiakhta, on the Russian boundary, seems to be a favourite distributing centre, and recent newspaper reports alleged that no fewer than from two to five hundred Chinese immigrants were daily arriving in the town. They are said to cross Gobi on foot and to proceed further northwards to the shores of the river Iro, where they search for vacant land adapted to agriculture, or else they prospect for gold. Both the Mongolians and Russians view this influx of Chinese in the direction of the Russian frontier with no little alarm, and speculation is rife as to its real meaning. The official explanation to the effect that these settlers are actuated by purely economic aims would

seem to the dispassionate observer a perfectly rational and plausible one, but the Russians are by no means satisfied with it and aver that these Chinese are really soldiers in disguise, who are being gradually distributed along the boundary line with a view to future eventualities! Far away to the east, on the right bank of the Amur, there has of late been an open concentration of Chinese troops, more especially opposite Blagoveshchensk, and the Chinese Press has itself reported that this fact formed the subject-matter of a representation from the Russian Minister at Peking, though with what result it is not stated. Blagoveshchensk, more especially, remembers with an uneasy conscience the so-called "massacre" of June, 1900, when, panic-stricken by the bombardment from the opposite bank, General Gribsky, the Governor, gave the order for expulsion of some two or three hundred Chinese coolies who were living in the town. The Chief-of-police, upon whom it devolved to execute this order, could think of no better way than to drive the Chinese into the river, where many of them perished in attempting to swim to the opposite shore. This incident, coupled with the barbarities practised by General Rennenkampff, is doubtless fresh in the recollection of the Chinese inhabitants of the districts which were devastated by the Russian soldiery. The remark made to me by a passing Rusians acquaintance, when I was visiting Blagoveshchensk, aptly illustrates the frame of mind in which Chinese preparations are being debated in certain quarters. "One good thing about the Amur Railway," he said, "is that it will at least

give us a better chance to escape when the critical time arrives!"

After having made every allowance for the inevitable percentage of exaggeration and fantasy, from which the Russian is no more immune than ourselves, I am personally persuaded that the stories one hears of the universal espionage practised by the Japanese in East Siberia cannot justly be dismissed as altogether mythical. They have at least been officially endorsed to the extent of promoting the introduction into the Douma of a bill designed to extend the powers of the Governor-General of the Priamurye in dealing with the above evil. Governor-General Unterberger is reported to have initiated the measure, which has received the personal approval of the Emperor himself. It is another illustration of the irony of fate that the promoters of the bill took their inspiration from Japanese laws bearing on this subject, and already in operation on the northern border of Korea. It is proposed to invest the Governor-General with full rights to issue regulations having the force of laws, to prohibit strangers from approaching military establishments, places occupied by troops, and other specified points; also to prohibit the taking of photographs, the drawing of maps and plans, etc. Those guilty of infringing these regulations may be dealt with by the Governor-General, independently of the ordinary courts, the maximum term of imprisonment being three months and the maximum fine three thousand roubles. This bill was accompanied by a representation from the Ministry of War concerning the construction of a

strategical road from Khabarovsk to Nikolsk-Ussurisky, for which purpose the Ministry has asked the Douma for an appropriation of 1,500,000 roubles to be expended on the preparatory work during 1910.

I will quote in this context the words of a writer in the Khabarovsk paper, the *Priamurye*. "We stand," he says, "on the brink of great events, and the political moment is such that even the morrow is uncertain, and the near future shrouded in mist. The intentions of Japan and China are unknown, but are highly suspicious. It is doubtful whether a perspective of incessant misunderstandings and collisions between the economic interests of Japan and Russia will be welcomed by our neighbours. The constant expectation of war, and existence in a disquieting and uncertain state of mind cannot continue much longer, since they paralyse life in these regions. The disposition and designs of Japan become from day to day more problematical. One of the deputies of the Douma, who is familiar with the latest phenomena of Japanese activity in the Far East, has informed me that when the estimates of the Foreign Office come up before the Douma for discussion, he is resolved to touch upon the alarming Far Eastern situation in order to attract thereto the attention of the whole country, and call Izvolsky to give an explanation."

It may be a partial relief from the incorrigible pessimism of the foregoing phases of the situation to turn to the attitude of the Harbin colony, as embodied in a petition which it has forwarded to the Commission now sitting at St. Petersburg, with the object of

investigating data bearing upon the revision of the Russo-Chinese Treaty. This petition is of great value since it shows in a somewhat crude and prosaic form, it may be, the desire of the majority of Russians in Manchuria to establish a *modus vivendi* with the Japanese, even, if necessary, at the expense of the Chinese. The petition is also notable in that it voices views on the subject of Chinese progress which are not at all upon all fours with those which I have had occasion to quote elsewhere. Unquestionably, coming as they do from persons on the spot, who are in daily contact with the Chinese, they are based upon something more substantial than mere hearsay. The petition gives expression to the astonishment of its framers that at a moment when China is showing herself incapable of carrying the proposed reforms to a successful conclusion, the Russian Government should show itself so eager to acquiesce in nearly every Chinese demand, even at the sacrifice of the interests of Russian nationals in Manchuria. Nothing whatever of an important nature has yet been done by China to reform the system of taxation or to unify the currency nor are there available competent men to carry out the work. Even the nearest advisers to the Throne belong to various political parties, so that continuity of any plan of reform is open to the gravest doubt. Corruption among the officials so far shows no signs of abatement, and justice has not improved. The lives and property of the people are not secure from the depredations of the criminal elements of the population, more particularly the Hunghutzes. Citizenship

does not develop and trade is at a standstill. If Manchuria constitutes a notable exception among the provinces of China, in the commercial and industrial sense, then this is solely due to the presence of the Russians and Japanese. Thanks to them, the imports of commodities into Manchuria since the war have trebled, while the exports of agricultural products and raw materials have increased fivefold. The reform of the Chinese Army, says the petition, owing to the absence of means, has come to a full stop. For the whole of North Manchuria, for example, according to the latest information, only one brigade of regulars has been formed instead of the proposed five divisions. These statements, it may be noted, are diametrically opposed to the opinions expressed by the " diplomatist " quoted in the *Novoe Vremya*.

" Under these conditions," continues the petition, " it would appear that China's capacity for self-defence at the present time is exceedingly low. So it is regarded by our neighbours in Manchuria, the Japanese, who have presented to China one demand after the other, which China dares not but fulfil. In the footsteps of Japan on the railway and finance questions the other interested Powers are also following. Russia alone, without the slightest necessity and without gaining anything thereby, retreats step by step before China, and precisely at the point of her least resistance, where she is weakest of all, viz., in Manchuria. The weakness of China here is due to the fact that the province is too remote from the centre of the Empire and is allotted the smallest

portion of the strength and means of the Peking Government. In the second place, while continuing to be nominally the sovereign power, China has *de facto* forfeited in no small degree her influence over Manchuria, because the chief nerve ganglia of economic life in the country—the railways and banks —are in the hands of foreigners; foreign goods annually imported into the country represent a value four times as great as that of Chinese imports, and foreigners have organized and stand at the head of the local export trade. It must be hopeless for Manchuria to emancipate herself from this many-sided influence unless the foreigners themselves—in the shape of Japanese and Russians—abstain from the privileges of their position." In view of these circumstances, the Russian colony of Manchuria is gravely disturbed by the Russian Government's policy of concession. The petitioners then go on to point out that as Russia's legatee in South Manchuria, Japan has a community of interests with that country, and is not likely to offer any opposition, but rather support, to any steps taken by Russian trade in the province, since without doubt Japan will take advantage of such precedents in order to secure for herself fresh privileges in South Manchuria, basing these demands upon the provision of the Portsmouth Treaty which states that Russia may not enjoy greater privileges than Japan in the province. "The spheres of the commercial influence of Russia and Japan have been sufficiently clearly defined: Russia is exploiting North, and Japan South Manchuria. Although the

former is the poorer and less populous, it none the less contains enough material for the application of Russian enterprise, as is abundantly proved by the growth of Russian trade and industry. Consequently, in new privileges for Japanese trade, if such are the result of concessions granted by China in favour of Russia, there is no need to detect loss to Russian undertakings in Manchuria. In other words, it is far more advantageous for Russia to walk hand in hand with Japan against China than with China against Japan. In international politics there is no place for other stimuli than the balance of power. At the present moment power is undoubtedly on the side of Japan, and we are making a great mistake in seeking sympathy not from the strong (Japan), but from the weak (China), who, in Russia's truckling and ingratiating policy, detects our feebleness and therefore turns away from us."

It would be difficult to imagine a more naïve and callous confession of commercial opportunism, naked and unashamed.

CHAPTER XIV

JAPAN IN SOUTH MANCHURIA.

Nature of Japanese Occupation of the South Manchuria Railway Zone—Plan of Administrative Divisions Explained—Rules Governing the Rental of Land and Buildings in the Railway Settlements—The System of Taxation—Other Sources of Revenue—Education in the Japanese Railway Zone—Study of Chinese and English Compulsory—The Hospital Service and Safeguarding of Public Health Generally—General Efficiency of South Manchuria Railway Management—Japanese Continental Lines in Strange Contrast to those on the Island—A Few Facts about the Organization of the South Manchuria Railway—History of the Bean Trade—Enterprise of the Great Japanese House of Mitsui—Japanese Collieries in South Manchuria.

So much confusion of ideas exists with regard to the precise nature of the Japanese position in South Manchuria that a plain statement seems desirable of the conditions under which the South Manchuria Railway Company has been granted, so to speak, the reversion of the former southern section of the Chinese Eastern Railway, from Changchun to Dairen, to which must now be added the Antung-Mukden and Yingkow-Tashihchiao lines.

The entire zone of expropriation, or railway zone, from Changchun to the Kwantung Province, is divided into seven administrative units, to each of which is allotted an office called *Shutchojo*. These divisions are as follows :—

1.—Wafangtien.

2.—Tashihchiao, extending from Wanchialing to Haicheng. Yingkow and the Yingkow branch line belong to this division.

3.—Liaoyang: This section extends from Nantaitzu to Fanchiatien, and includes the Yentai and Fushun collieries and the branch thereto.

4.—The Mukden settlement: This division extends from the Liaoho to the station Hsintaitzu.

5.—The Tiehling settlement: This extends from the station Hsintaitzu to Changtu-fu.

6.—The Hungchuling settlement, extending from Changtu-fu to Mengchiatun.

7.—The Kwangchentzu settlement, extending from Mengchiatun to Kwangchentzu.

Under a later regulation of the South Manchuria Railway Company a new administrative unit has been formed, viz., the Fushun collieries, to which are attached all the lands within the railway zone eastward from Sunchiatun station. With this addition the total number of administrative divisions is eight. At the head of each division is an official known as a *shochō*, with a staff of employees consisting of engineers, technical experts, secretaries, clerks, etc. The settlement chief, or *sōchō*, superintends the lands and buildings of his division, looks after scholastic, medical, and sanitary matters, and is responsible for proper precautions against accidents from fire or other cause. He is also responsible for the preparation of the annual estimates and accounts of revenue and expenditure. To this official also belong the imposition of taxes, supervision of the development of trade and industry in his division, and inspection of public property. In the event of special difficulty, he refers the question to a meeting of the settlement employees,

who in this manner represent an administrative council. All the orders and arrangements of the *sōchō* must be submitted to the Chief Director of the railway, by whom they must be sanctioned. As an additional precaution against, and check upon, hasty legislation, there exist special committees (*iin-kai*) at Wafangtien, Tashihchiao, Liaoyang, Mukden, Hungchuling, Haicheng, and Fushun, and there are probably others at various points, but the foregoing are the best known. Persons are eligible for election on these committees if they have resided in that particular division a year, but their election must be ratified by the Chief Director of the railway. While subordinate to the chief of the settlement, the members of the committees are nevertheless at liberty to complain to the Chief Director of the railway against what in their opinion constitutes illegal action on the part of the above official; this right is shared by all other employees of the settlement administration. If the member of a committee removes to another division, another member is elected to take his place until the end of the current year. The subjects of every nationality are free to settle in the railway zone, but they must conform to all the rules and regulations of the railway company, and must also pay a specific tax for public purposes. Compare this provision with the practice in the Russian railway zone, where the principle is precisely the same, save that, if anything, the latest Russo-Chinese Agreement furnishes the foreign resident with a surer guarantee of representation on the Municipal Assembly than do the rules

governing the settlements within the Japanese railway zone. So far, however, no protest has been made against the latter. Those who wish to rent land and buildings within the railway zone must in the first place give notice of their intention to the Civil Chief of the Kwantung Province, and obtain his permission. Having secured this permission they must then apply to the settlement chief of the division in question and, on receipt from him of the conditions of the lease, conclude the arrangement direct with him.

The taxes payable by the inhabitants of the railway zone are divided into two main categories, viz., (1) a tax assessed according to the number of houses, and (2) a tax on different kinds of trade, business, and profession in the settlement. The first is known as the *kosu-wari* and the second as the *shasu-wari*. Both these taxes go to meet public expenditures, among which are those on account of the settlement administration, building, education, libraries, sanitation and hygiene, and public order. The second tax is collected from geisha, prostitutes, maid-servants in hotels and restaurants, dancers, teachers of accomplishments, female hairdressers, jinrikishas, managers of theatres, hackney coaches, etc. The settlement chief defines this class of tax beforehand and then submits his estimate to the Chief Director for confirmation. Both these classes of taxes are confirmed by the Chief Director for the full year. The basis of the incidence of the first class of tax, and as far as possible of the second, is as correct a declaration as possible of the incomes and means of

the residents of the division in question. The officials of the settlement administration in special cases are empowered to inspect houses and business establishments, and to verify the inventory of goods by the books of the taxpayer. Taxes are collected quarterly, but may, if desirable, be paid for the entire year in advance, or even for a month or a few days. The tax on geisha, prostitutes, and maid-servants in houses of entertainment, etc., is paid by the employers. A special agent is chosen for the collection of these taxes, but he, too, is subordinate to the settlement chief.

In addition to the above, the settlement administration also derives revenue from the following sources: Interest on loans granted from the public funds on the security of property; interest on capital on current account; rent from theatres and other buildings; revenue from water-supply; revenue from the issue of certificates and copies of business documents; fees for the tuition and maintenance of scholars in boarding schools; library revenue; revenue from parks, bazaars, cemeteries, cremations, abattoirs, hospitals, trade and commerce, to which category belongs the sale of manure, trees, seed, domestic animals, and so forth. The settlement administration may receive subsidies and subscriptions, and effect loans.

It is noteworthy that the Japanese who emigrate to Manchuria take with them their cherished manners and customs. The cremation of the dead seems to have been introduced into the province by the Japanese for the first time, and it would be well if the

Chinese would follow this example as a welcome substitute for their favourite method of exposing rickety coffins until the contents turn putrid.

The arrangements for the collection of vital statistics in the railway zone are characterized by the customary Japanese thoroughness, and all these tables are preserved at the head office in Dairen, where particulars concerning these and other matters in any settlement of the railway zone can be turned up in a moment.

The educational arrangements within the railway zone are closely modelled after those in the home country, though as a rule the type of school does not rise higher than the elementary school (*shōgakkō*) with an eight-year course. It is of interest to note that whereas, in the schools of the Russian zone, no decision has yet been reached as to whether or not Chinese should be taught to Russian children, in the Japanese schools the question was settled at the very outset in favour of compulsory tuition in the language, in addition to English. The text-books in general use in these schools may be bought in Manchuria at exactly the same price as in Japan, the minimum and maximum prices ranging from two to nine sen for a single book! Needless to say the cheapness of these text-books facilitates the diffusion of popular education. In other respects the regulations obtaining in the home country are observed in Manchuria, and on the Emperor's Birthday, Constitution Day, and at the New Year, the patriotic instincts of the young are appealed to by solemn

religious ceremonies in the schools. To the schools are attached hospitals and *pensions*, where children whose parents for some reason or other cannot keep them at home, are looked after. Pupils attending school from stations in the neighbourhood are allowed to travel free on the railway, or at greatly reduced rates. Education is compulsory, and even Japanese parents living outside the railway zone are obliged to send their children to the school in the nearest settlement. There are twelve elementary schools in the leased district and the district belonging to the railway, and the latest statistics gave 2,000 as the number of children in attendance. A middle school was recently opened at Port Arthur and now has more than 130 pupils, and the facilities of the engineering college at the same place are being materially improved. Lieutenant-General Fukushima, on his return some months ago from an extended tour in Manchuria, spoke in glowing terms of the success which had attended the efforts of the Japanese to develop education within their sphere of influence, and he noted in particular the fact that the obligations of patriotism were being sedulously instilled by the authorities. In short, the progress of schools and hospitals under the Japanese régime is one of the most striking evidences that Japan's mission is not exclusively bellicose.

Too high praise cannot be bestowed upon the manner in which the South Manchuria Railway Company has dealt with the problem of the organization of a hospital service. The central hospital is at

Dairen, the head branch at Liaoyang, and the remainder are at Wafangtien, Tashihchiao, Mukden, Tiehling, Hungchuling, Kwangchentzu, Chiaohekou, Antung, and Fushun. The superintendent of the central hospital is also the head of the various branches, and with the permission of the Chief Director arranges the prices for medicine and medical aid. The provision made for a supply of trained nurses is as perfect as the circumstances allow. In connection with the Dairen hospital is conducted a special establishment for the purpose, bearing the Japanese name *Kango-fu Minarai Kōshū*, where the course of tuition lasts two years, special attention being paid to practical work. Girls up to the age of twenty, of strong physique and irreproachable moral character, are accepted as students, provided they can produce a diploma to show that they have passed the eight-year course of an elementary school, or can pass a corresponding entrance examination. Furthermore, on entering the school, every student must sign a written undertaking not to abandon the course save in absolutely unavoidable circumstances. Each student receives a small allowance with free quarters and board. On completing the course she has to serve two years in the Dairen hospital. Hospital and medical fees are of the lowest, employees of the railway naturally being granted special rates.

Precautionary measures against epidemic and infectious diseases are equally typical and reminiscent of the faultless care exercised by the Japanese Army Medical Corps throughout the war. On the railway

line at seven stations there are always in readiness two covered freight cars containing beds and appliances for disinfection. Should a resident or even a passenger on the railway be taken suddenly ill, he or she is at once conveyed to the nearest station in one of these cars, while word is telegraphed along the line, and at all the necessary points the most scrupulous disinfection is carried out. No fewer than seven pages of the original Japanese text are devoted to rules and instructions bearing upon this subject. On one occasion, when several horses for the Fourteenth Division were taken ill *en route*, the cars in which the animals were being carried were disinfected, the inner furnishings and harness burnt, and the cars themselves withdrawn from further use for the transport of horses.

On receiving from the Russians the expropriated lands within the railway zone, with numerous buildings, the Japanese set aside a certain proportion for the needs of the railway, and transferred the remainder to the settlement administrations to be made use of. The exploitation of these lands and buildings comprises the leasing of land for building and for agricultural purposes, and the leasing of vacant buildings. The dearest building land is at Changchung, Mukden, and Tiehling, and the cheapest is usually found between the various stations. Haichen, Kaiping, Wafangtien, and Hungchuling are mentioned as among the more promising of the lesser-known points. Kaiping is the centre of a prosperous silk-growing industry; not far from Wafangtien is the

large Chinese town of Fuchou; and near Hungchuling is the Mongolian outpost Fenghua, with which it is expected to enter into closer commercial relations in the near future.

In the case of building land, the rent is levied monthly, and in that of agricultural land, annually. The dearest agricultural land is in the vicinity of Liaoyang, while some of the cheapest is near Dairen, where many of the available areas lie on the hillsides and the banks of rivers, and as a rule are of limited size. Rent for these lands varies from twenty sen (about sixpence) per *tsubo* (say six square feet) a year to two and three sen. Fruit culture is encouraged by a special provision which exempts the occupant from rent until the first crop, nor is rent collected on land which is being cleared and prepared for tillage.

In the early days after the war, when the new owners found themselves suddenly in possession of numerous Russian buildings containing huge Russian stoves known as *pech*, which were something entirely new to the Japanese, the administration of the railway issued special instructions for the use of these cumbrous articles of furniture. These instructions enter into the minutest details relative to the various parts of the Russian stove, how it must be opened and shut, and what kind of fuel must be used, etc.

The truth is that the Japanese in Manchuria, or, more correctly speaking, the ruling class, are displaying an adaptability to their surroundings which even their severest critics cannot refuse to concede. It is true that mistakes have been made and no doubt are

still being made, but it is instructive to contrast the almost universal abuse of the management of the South Manchuria Railway in the early days with the uniform praise which all classes of travellers now freely accord it. This abuse was doubtless applicable to conditions in which third-rate Japanese rolling-stock had to be used upon a Japanese narrow-gauge track of three feet six inches instead of the original five feet gauge of the Russians. Since then, however, the line has been again converted into the standard-gauge of four feet eight and a half inches, and first-class American rolling-stock has taken the place of the temporary makeshifts which had to do duty after the war. For long-distance travelling I must still give my verdict in favour of the Russian State express and Wagons-Lits, but for the comparatively short journey from Dairen to Mukden and Changchun, the Japanese express leaves very little to be desired. As a matter of fact, the fates have so ordained matters that the Japanese railways in both Korea and Manchuria are incomparably superior to the best that Japan Proper can offer, and to the visitor who knows both places, it would almost seem as though more money and more brains were being devoted to the task of creating and perfecting a new and greater Japan on the continent of Asia than to that of developing the purely domestic resources of Japan Proper. I hope to make this point still clearer when I come to deal with the model settlement of Dairen.

For the sake of reference it should be stated that the South Manchuria Railway Company was organiz-

ed in 1906 with authorized capital of Yen 200,000,000 yen (say £20,000,000) divided into a million shares of 200 yen each. Of this sum Yen 100,000,000 was subscribed by the Government in the shape of the already existing line, which it transferred to the ownership of the Company, together with the Yentai and Fushun collieries. Of the remaining hundred million for public subscription, the Company in October, 1906, offered only a hundred thousand shares to the amount of twenty million yen, the balance of Yen 80,000,000 being raised by debentures. On its part, the Japanese Government guaranteed the shareholders six per cent. on the capital, while the Company pledged itself to repay the Government as soon as the railway should begin to yield sufficient revenue. The Government furthermore stipulated for the payment of a dividend only after the Company should be able to distribute a higher rate than six per cent. to private shareholders. Hitherto, however, although the Company has been earning a handsome profit, the foregoing agreement has not been lived up to, but it has just been announced that the Company will pay a dividend to the Government at the rate of three per cent. per annum, or half the rate paid to private shareholders, which revenue will be devoted to the construction of railways in Korea.

In view of the expansion of business, a second Ordinance was recently issued whereby the Company was authorized to float a new loan of forty million yen. The wording of the Ordinance actually sanctioned a total debenture issue of twice the amount of the paid-

up capital, but for the time being restricted this privilege to the latter figure, which would imply Yen 120,000,000, less the sum of Yen 80,000,000 already borrowed, or a net issue of Yen 40,000,000, as stated above. It is understood that the proceeds will be appropriated for the extensive works required in connection with the opening of Port Arthur, for contemplated harbour improvements at Dairen, and for substantial additions to the rolling-stock of the railway, which are imperatively necessary in the wake of the rapid increase in the volume of goods carried annually over the Company's system. The original estimate under this head was only one hundred million tons, which has already been more than doubled, and when the projected extensions are complete, the railway will be in a position to handle four hundred million tons annually.

At the time of writing the entire system measures 516 miles of trunk road, and 188 miles between Antung and Mukden. The report for the half year showed net receipts amounting to Yen 1,685,866 and a balance carried to next account of Yen 2,194,972. Comparisons are odious, but such figures are enough to make the Chinese Eastern Railway's mouth water. The Japanese have the advantage of a system which is laid in the most densely populated part of the province. A simple comparison between the number of large towns in North and South Manchuria respectively is sufficient to prove the greater value of the assest in the hands of the Japanese. In the Russian system, apart from Vladivostok, which is in Siberia, the only

towns of any size are Harbin and Tsitsihar, and these cannot compare with Mukden and Changchun, both of which possess populations considerably in excess of a hundred thousand. Indeed the latest estimates for the former city give it fully two hundred thousand inhabitants. Mukden is, in fact, by far the largest city in Manchuria and the seat of the Viceroy of the Three Eastern Provinces. Liaoyang has nearly sixty thousand and Yingkow (Newchwang) approximately a hundred thousand. The Japanese have two direct lines of railway into Mukden, and as the Imperial Railways of North China may be said to tap the Japanese system at Mukden and Newchwang, with which the South Manchurian line connects from Tashihchiao, it must be very evident that a large proportion of the overland traffic to Peking and Tientsin is carried by the latter. In short, the predominance of the Japanese railway position in South Manchuria has been so exhaustively considered from both the economic and strategical standpoints in previous chapters, that it would be merely supererogatory to discuss this phase of the subject further. Allowing for the point of view, the following extract from the latest batch of "literature" issued by the South Manchuria Railway Company gives a very fair idea of some of the more salient consequences of the development of railway facilities in South Manchuria :—

"All the river-side marts, including the once-flourishing Tungkiangkou, where thousands of river-boats rendezvoused and hundreds of thousands of tons of beans passed through year in and year out, have

dwindled down in importance. On the other hand, Changchun, whose importance as a bean market used to be only of the third-rate, has sprung up to the highest place in a short space of time. Among the other growing trade centres may be counted Kaiyuan, Szupingchieh, and Kungchuling. Improvements are also observable in other systems of communication. Long-distance telephone connections have been established between the principal towns of South Manchuria. Again, under the terms of the Sino-Japanese Telegraph Union Agreement concluded in March, 1909, Japanese messages can be despatched over Chinese wire to or from any point in the leased territory and the South Manchuria Railway Company's Railway Area. Also a cable service between Dairen and Chefoo was installed and came into operation in the middle of July, 1909. This last is a joint Japanese and Chinese enterprise."

I may add in this context that the Chefoo cable formed one of the subjects of negotiation between Russia and Japan, and an agreement was only lately reached at St. Petersburg whereby Japan finally agreed not to claim possession of that portion of the said cable which lies outside the territorial waters of the Kwantung Peninsula.

"The Chinese Government has withdrawn conditionally the restrictions hitherto placed on the export from the leased territory of such cereals as wheat, millet, kaoliang, and buckwheat, and this has done something to swell the export trade passing through the port of Dairen. A more noteworthy development,

however, has marked the winter of 1908-9. The exceptionally good price beans commanded throughout the preceding year, coupled with the unusually favourable climatic conditions experienced, resulted in a bumper crop all over Manchuria. This naturally had the effect of lowering the price of the product, enabling it, with the present facilities of transport, to find for the first time in history markets in Europe. While the season progressed and shipment after shipment reached its destination in satisfactory condition, the many good points of the Manchurian product became more generally recognized and the total quantity shipped through the port of Dairen alone during December, 1908—June, 1909 is estimated at over 180,000 tons. Thus between Europe and South Manchuria have been laid the foundations of permanent international trade relations which must inevitably expand in increasing proportions as the years pass by."

The history of the inception of this now comparatively flourishing branch of Manchurian export is not without interest. The Japanese contend that the first to appreciate the possibilities of the Manchurian bean were Messrs. Mitsui and Co., who may almost be styled the commercial and industrial branch of the Japanese Government. Before the war this firm had a branch at Newchwang and had already inaugurated the export of beans to Japan. As Newchwang is closed by ice during the winter, the Mitsuis thought of shipping the staple to Port Arthur by the Chinese Eastern Railway and thence to Japan by steamer, in which

way it would be possible to ship during the greater part of the year. The Chinese Eastern Railway was approached on the subject and published a freight tariff in the summer of 1903. The Mitsuis then began to ship beans from Tiehling, whence they were conveyed to Yingkow by junk down the Liao River and then to Port Arthur by rail. Hardly had the Mitsuis' two bean steamers sailed out of Port Arthur with a joint cargo of 45,000 piculs than the first shots of the war were fired. During the war Russia included beans in the list of contraband, and for the time being Japan's trade in this line was effectually blocked. As herrings were also stopped from the direction of Saghalien, the fertilizer market in Japan had rather a hard time of it. The Mitsuis, however, improved the interval of leisure—knowing that the war could not last for ever—by carefully studying the bean-producing centres of the world, and satisfied themselves that, with one or two unimportant exceptions, Manchuria and Japan had a monopoly of this product. The outcome of this discovery took the form of the first shipment of beans to Europe. About the time of the battle of Liaoyang, the Mitsuis bought up all the beans to be had in the neighbourhood of Yingkow, and dumped them at a fabulous profit on the Japanese market, which was necessarily depleted. They followed up the victorious army with an eye to the main chance, everywhere ascertaining the productive capacity of the various districts passed through. They eventually concluded that the output of South Manchuria had been absurd-

ly underrated, and simultaneously determined to test the European market. On the restoration of peace in October, 1906, the firm opened agencies at Tiehling, Mukden, Changchun, Hsinmintun, and Kirin, and in the winter sent out the first trial shipment of beans and bean-cake to London. Owing to faulty packing, the cargo deteriorated to such an extent that it had to be jettisoned, but a second consignment of 500 piculs proved more fortunate, and was followed by a succession of bigger and bigger orders. As late as February, 1909, these enterprising Japanese reaped a golden harvest in undisputed possession of the field, but their foreign rivals finally emerged from their protracted trance and hereafter each successive season bids fair to be marked by fierce and growing competition.

Another branch of Japanese economic enterprise in South Manchuria is the colliery industry, as exemplified at Yentai, Fushun, and Penchihu. The first two are on or near the trunk-line, while the third is on the Antung-Mukden Railway. The Fushun collieries are the largest and most important of the three, and well repay a visit. Fushun is situated thirty-four miles east of the trunk-line, and is reached by a branch from Sunchiatun, 236 miles from Dairen. The actual station for the collieries is called Chien-chin-chai and is the station before Fushun, the terminus of the branch line. The coal-field extends over an area of ten miles from west to east, parallel to the Hun River. The width of the workable deposits measures at least a mile, and the thickness of the

seam ranges between 120 and 175 feet. The most conservative estimate of the available supply is placed at eight hundred million tons. The present daily output is probably between two and three thousand tons, but judging from the energy with which improvements are being introduced, these figures will soon be doubled, if they are not so already. Appropriately and patriotically enough, the newest shafts are dubbed Togo and Oyama, and there are five pits and inclines in operation. Fushun coal is used on the railways in South Manchuria and Korea and on the Osaka Shosen Kaisha's steamers between Dairen and Osaka. Quite a bustling colliery town has grown up in the vicinity of the shafts.

CHAPTER XV

JAPAN IN SOUTH MANCHURIA (CONTINUED).

A Visit to Dairen—A Marvellous Russian Creation—An Occidental Oasis—The Japanese Residuary Legatee—Sense of Incongruity—A Dual Existence—The Japanese Experiment—Attempt to Run a European Town—Some Concrete Results of Japanese Occupation—The Useful and the Ornamental—Lavish Expenditure on Dairen—Whence Comes the Money?—Taxation in the Kwantung Peninsula—Foreign Acquiescence—Occidental Discrimination against Russia—Japanese Recognition of Anomalies of the Situation—Movement in Favour of Abolition of Kwantung Government-General—The Opening of Port Arthur—Echoes of the Crane Incident—The Russian Scapegoat—Official Statement Regarding Kwantung and South Manchuria—Japanese Industrial and Commercial Enterprises—Growth of the Port of Dairen—British Consular Report—Predominance of Japanese Shipping—Enormous Japanese Vested Interests—Term of Japanese Occupation—The Contrast at Port Arthur—A Moribund Spot—The Dismantled Forts—The Blood Toll—Melancholy Reflections.

DAIREN, as the Japanese have renamed the Russian Dalny (which in Russian means "far," "remote," as it certainly proved to be in more senses than one) impressed me as a preposterous anomaly. Though the residuary legatees of the former Russian owners are doing excellent work in the development of their South Manchurian port, the fact remains that the nucleus of almost everything that has since proved of any value was created by the Russians. Russia found the spot a barren waste in 1898, but in less than three years she had transformed it into one of the finest towns of its size in the Far East. With that amazing prodigality which has become almost proverbial, she squandered millions of roubles upon the building of a

purely European city on the shores of the Yellow Sea. A cathedral, mansions, roads, parks, and warehouses, the useful and the ornamental, sprang into being as if by magic, and it is to-day, as it was then, almost impossible to imagine, as one looks down the main street leading from the Yamato Hotel to the sumptuous new Japanese railway bridge called Nihon Bashi, that one is in China. Only at Shanghai, Hongkong, Tientsin, and one or two other of the older foreign settlements can one find such uniformly well-graded and well-kept roads and sidewalks, while if it imposes a severe mental strain to realize that one is in China, it impresses one as equally incongruous that this wholly European environment, in many places reminiscent of some quiet English suburb with rows of brick houses and front gardens, should to-day belong to Japan.

It is habit, of course, but the fact remains that the unconscious association of ideas ill prepares us for shuffling *zori* and *geta* and flapping *kimono* against a background ordinarily seen in conjunction with the garb of deadly Occidental respectability. Not that Japanese dress is not respectable; but merely that those of us who know, or think we know, our Japan fairly well after long years of residence, and who see how the majority of Japanese live, cannot be deceived by these goodly foreign exteriors of stone, brick, and mortar. Where Russian *chinovnikwi*, civil and military, were wont to ride and promenade with their fair and often frail companions, the latter bedecked in the latest Parisian fashions, and where but a few

OYAMA STREET, DAIREN.

SOUTH MANCHURIA RAILWAY HOTEL, THE YAMATO, DAIREN.

years ago there was at least relaxation, if there was no trade, to-day we find almost deserted streets, save in the new Japanese quarter, where the retail business of the port is transacted. The Japanese man is hardly convincing amid such surroundings, but the Japanese girl, though intrinsically more picturesque, is even more out of drawing in relation to the rest of the picture. No doubt the Japanese are making praiseworthy efforts to show the world that they can run a European town as well as the Europeans themselves, but though the superficial veneer of officialdom may almost persuade us that the metamorphosis is genuine, those who pry a little deeper are rudely disillusioned. Externally these fine brick houses in the old Russian quarter may still appear Occidental, but behind the walls you may depend upon it that the owner has laid down Japanese mats; that he dons a *kimono* after office hours; that he prefers a *hibachi* (brazier) to a fire-grate; and that for a few blissful moments before bedtime he enjoys green Japanese tea or *sake*, and a few whiffs of a Japanese pipe or monopoly cigarette. It is as yet too soon to say whether or not the individual Japanese will change with his environment, or whether the environment will change with him. If the experiment is to succeed, then unquestionably he will have created a wider gulf between himself and the mother country than the three days' passage from Dairen to Kobe. But that already very pronounced modifications have asserted themselves impresses the ordinarily observant visitor in less than twenty-four hours. One salient fact

which, as the Russians put it, "throws itself in the eyes," is the absence of the familiar Japanese jinriki-sha-man. In China, at least, the Japanese has ceased to be a beast of burden, and this function has been relegated entirely to the Chinaman who, were he to see his conquerors running between the shafts with the inimitable stride of the Tokyo *kurumaya*, might lose some of that respect based upon physical fear which he now entertains for the intruders, even though he himself might find it difficult to cover a given distance in anything like the same time. As far as I could see, the Japanese in Manchuria are resolved to foster the impression that they are a superior race, but, admitting that there are exceptions, I do not think that the average Japanese is as capable as the average European or American of getting into touch with the Chinese. In other words, I am perfectly convinced that the Chinese have infinitely more real respect for the European and American than they have for the Japanese.

But all this does not detract from the credit which is due to Japan for what she has accomplished at Dairen. It is true that the Japanese did not import all the steam-rollers which are now being constantly used in road-making, but at least if some of these are a Russian legacy the legatee has had the good sense to keep them at work; the spacious and handsomely-appointed Yamato Hotel was built by the Russians, though the Japanese probably remodelled the interior to adapt it to its new rôle; but still the employees of the railway company know how to manage it better

than any Russian hotel in East Siberia, and the South Manchuria Railway Company is constructing a new hostelry upon a scale of great magnificence, which bids fair to be unique in the Far East. The wharves were originally built by the Russians, but have been improved by the Japanese, and are certainly called upon to accommodate a larger amount of tonnage than ever was the case under the Russian régime. And so the recital might be almost indefinitely prolonged. On the other hand, the excellent tramway system is purely Japanese; so is the railway bridge above referred to; so are the splendid offices of the South Manchuria Railway Company, and the Yokohama Specie Bank. So also is the "Electric Park," or *Denki Kōen*, a sort of White City which the railway company has created for the attraction of visitors and residents. It is designed to be a popular resort where cinematograph and geisha shows can be given; and other forms of amusement provided such as roller-skating, the merry-go-round, zoological garden, aviary, etc., etc. One asks oneself, Whence comes the money which, *à la Russe*, Japan now appears to be able to lavish upon the equipment of Dairen as a model Far Eastern city? The South Manchuria Railway Company may be spending borrowed funds with a free hand, but even the four million pounds sterling raised largely in England three years ago cannot last for ever. It goes without saying that taxes are levied at Dairen, as they are in other parts of the Kwantung Province and the railway zone generally, and I have not yet

heard that any foreign protest has been submitted thereanent. In short we have here far more of an *imperium in imperio* than can be found anywhere within the Russian sphere of influence, and yet, if this is really a period of international readjustments in China, and the Powers are not willing to recognize even a modification of rights which, when originally granted to Russia by China, under treaty, were virtually unopposed, surely the status of Japanese jurisdiction in the Kwantung Peninsula, whether or not it is merely the reversion to Japan of previous Russian rights, must in the nature of things confer upon Japan a position of privilege wholly subversive of the vaunted principle of the open-door and equal opportunity. Naturally I shall be confronted with the argument that Germany occupies an equally privileged position in Shantung and Great Britain the same at Wei-haï-wei, but that fact does not vitiate the contention; and it is manifestly absurd and illogical for Powers in possession of such privileges to question the right of China to enter into the Agreement of June, 1909, with Russia. If China could give away sovereign rights in Shantung, Wei-hai-wei, and Kwantung, then she can give the same away in North Manchuria. Yet Germany was one of the prime movers of the Harbin protest, whereas Japan had the good sense and good taste to say nothing. It may almost be asserted that of all the Powers concerned in that protest, America alone had the moral right to make it, since she alone has hitherto abstained from taking a hand in the game of grab at the expense of China which, and the fact is

nauseating, has gone hand in hand with reiterated professions, emphasized by *ententes* and conventions, to which Germany also has been a party, that all the Powers are animated by the desire and determination to preserve the integrity of the Middle Kingdom at all costs. In Japan itself public opinion has shown some appreciation of the true state of affairs by urging the abolition of the Kwantung Government-General as a step calculated to dissipate Occidental suspicions of Japanese policy in Manchuria, in connection with the opening of Port Arthur to foreign trade, which has already been announced.

Meanwhile the principle adopted by the Japanese in Kwantung is that the administrative expenses required for the local organizations of the province, "which make it their object directly to promote the peace, welfare, and happiness of the local population, are to be directly defrayed out of the local revenue, so as to impress vividly upon the local population the close connection existing between the benefits they enjoy and the burden they must bear therefor; and with this end in view, regulations respecting the local expenses of Kwantung Province were issued, whereby the expenses for the keeping of accounts, education, sanitation, encouragement of industry, building and engineering relief-work and construction, are to be paid directly with the local revenue from business and miscellaneous taxes." Surely this is plain enough. It would seem, however, that the foreigners resident at Dairen are more readily impressed by the "close connection existing between the benefits they enjoy

and the burden they must bear therefor" than the foreigners at Harbin. To tacitly admit, on the one hand, China's right to enter into a treaty with another Power, and, on the other, to protest against an arrangement without which the terms of the treaty could not possibly be fulfilled, is a feat of diplomacy which has been reserved for Russia's peculiar benefit.

The Powers, as represented at Dairen and in the Kwantung Province generally, carry their capacity for discrimination even further. During my stay at the port I had the assurance of one of the Consuls that it had not yet been made clear how far the scope of Japanese jurisdiction extended, and whether or not it included authority to arrest and try foreigners for criminal offences. A suggestion on my part that I should go out and assault somebody in order to make a test case was not greeted with any enthusiasm. I merely mention this in passing, as old "Gorgon" Graham would say, for the purpose of illustrating the remarkable disparity that exists between the diplomatic attitudes towards Japan and Russia respectively. America is not afraid to authorize her Consul at Harbin to make a firm stand against alleged Russian pretensions, but she had no thought of protesting against the latest Sino-Japanese Manchurian Agreement without the assurance of support from the other Powers; and when the alleged indiscretion of Mr. Crane—as it is contended—revealed her intentions prematurely, Japan was mollified by the recall of the offender. I myself believe that there is a hidden side to this story which may come to light before these

"EAGLE'S NEST," PORT ARTHUR.

lines are published, but as I have said in other places, we are confronted by a succession of coincidences which warrants the assumption that the Powers are making Russia a sort of scapegoat for what they secretly regard as the sins of Japan, albeit they have hitherto scrupulously refrained from any such official classification of Japanese procedure.

With reference to the proportions which the Japanese and other foreign elements bear to the total, in both Kwantung and the rest of South Manchuria, I avail myself of a statement made by Mr. Shirani, Head of the Civil Administration of Kwantung, as reported by *The Japan Mail.* "He spoke of Kwantung as a temporary Japanese territory covering an area of 320,000 *cho* (810,000 acres), and he said that according to the latest statistics the number of Japanese subjects settled in South Manchuria is 60,000, the majority of them being within the leased territory or the railway zones. Dairen alone has a Japanese population of 25,000, and the number outside the leased territory is 20,000 in round figures. Divided according to employment, the Japanese population of the leased territory is, roughly speaking, as follows:—

Officials	1,200
Merchants	25,000
Manufacturers	1,500
Miscellaneous	3,400
Labourers	600
Farmers	20

Outside the leased territory the figures are as follows:—

Officials	300
Merchants	1,200
Farmers	700 to 800
Miscellaneous	3,500
Labourers	500 to 600

With regard to manufactures, the principal enterprises are the making of beancake, cement, flour (at Tiehling), matches, etc. At the experimental station of the leased territory Government, the processes for bleaching the silk of the *Yamamai* were under investigation and have been practically successful. Most important results were expected and works for utilizing the new process were already in operation in Dairen. Another successful experiment had been the application of improved processes to the brewing of *samshu* from millet. The method hitherto pursued by the Chinese had been at once uneconomical and unsanitary, whereas the process invented by a Japanese expert at the experimental station corrected both of these defects. A very promising industry also was the manufacture of *soy* and *miso*. Three hundred thousand yen worth of these commodities are at present imported every year, whereas by utilizing the cheap beans and salt produced locally, the imported article could be completely undersold. Mr. Shirani spoke in strong terms of the prospects of the glass manufacturing enterprise. He said that excellent materials are obtainable in South Manchuria, and that the whole Chinese market might very well be supplied from that place."

The population of Kwantung itself must by this time be close upon five hundred thousand. There may

be nearly a hundred foreigners in all, for the most part at Dairen, where there are reported to be thirty-four branches of foreign firms. The total population of the town, including Chinese, Japanese, and other foreigners, probably exceeds sixty thousand. The rapid expansion of the port under Japanese administration is undeniable. Not so long ago Dairen ranked but sixteenth among the forty-two odd ports of China, whereas to-day, on the basis of the Customs revenue, it must be classed as sixth. Without necessarily accepting Japanese unofficial reports as in every case absolutely reliable, I would refer the reader to the conclusions drawn by the English Acting Vice-Consul at the port, Mr. E. L. S. Gordon, who states that the total trade for 1908 showed an advance of more than 50 per cent. over that of 1907, and that, even allowing for re-exports, there was an increase of £1,250,000. Reckoning in yen, the total value of imports for 1908 was Yen 31,356,000 as against only Yen 27,892,000 for the previous year, while under exports the figures are Yen 34,727,000 and Yen 14,570,000 respectively—an expansion under this head which is certainly very striking. In accordance with the terms of the Sino-Japanese Agreement concluded in June, 1907, concerning the Customs at Dairen, imports intended for consumption in the Kwantung Province are duty-free, and duty is imposed only upon goods which cross the boundary of the leased territory into China, while those coming from China into the leased territory pay export duties only when they are exported from Dairen. The revenue

collected from these sources, therefore, does not convey an adequate idea of the volume of import and export trade handled at Dairen, but nearly seventy per cent. of this revenue is from export, a fact which speaks for itself. It must also be borne in mind that members of the staff of the Maritime Custom House at Dairen are for the most part of Japanese nationality; this also in accordance with the Customs Agreement. The fact is important in connection with the charges recently advanced against the Japanese by a former United States Consul at Mukden, to the effect that a large quantity of Japanese goods had been admitted duty-free in to Manchuria across the Kwantung boundary. These charges I shall deal with more in detail in another chapter. The shipping at Dairen during 1908 also showed notable expansion, the total of 1,525 vessels and 1,930,947 tons indicating an increase of 270 vessels and 461,069 tons for the latter year. Japanese shipping takes first place, its proportion being two-thirds of the total.

It must be evident to the merest tyro that Japan is building up at Dairen such enormous vested interests that, lease or no lease, it will be virtually impossible for China to buy her out when the nominal time arrives. As for the South Manchuria Railway Company, it may be more of a commercial enterprise than the Chinese Eastern Railway, whose shares have never appeared on the open market, but it must still be regarded for all practical purposes as a manifestation of the Japanese Government just as the Chinese Eastern Railway must be regarded as merely another name for

CAPONIER OF NORTH FORT OF TUNG-CHI-KUAN-SHAN.

DISMANTLED GUN IN DESERTED FORT, PORT ARTHUR.

the Russian Government. The Japanese Government has subscribed four-fifths of the paid-up capital; the debentures are guaranteed by the Government; and the railway is finally under the supervision of the recently-established Railway Board (*Tetsudō-in*), which controls all the nationalized railways of Japan. It may therefore be taken for granted that the Japanese authorities themselves have mentally assigned the Greek Kalends as the limit of their tenure of Dairen and South Manchuria. It would, indeed, be difficult to discern equally impressive signs of energy and public spirit in Japan Proper and no business man could be persuaded that Japan would thus deeply and firmly entrench herself, in both the economic and political senses, had she any ulterior intention of ever evacuating the positions thus gained. The attitude of the Japanese towards Secretary of State Knox's proposal to neutralize the Manchurian railways may be instructively studied in this context.

If Dairen is very much alive, then assuredly Port Arthur is moribund. I have rarely visited a place which impressed me so emphatically as being an admirable one to leave. Here again we are surrounded by evidences of misdirected Russian energy. Port Arthur in parts seems to have been carved out of the living rock, but the sum total, while impressive, is not agreeable. The new and old towns have a hopelessly unfinished look, and the chain of bleak and barren hills, commencing on the east with the Golden Hill, and ending with Lao-tieh-shan, which encircles the town and harbour, adds to the picture of desolation. After religiously inspecting the abandoned forts from

the historic 203-metre Hill to Tung-chi-kuan-shan, where the gallant Kondrachenko fell, one's natural sentiment of wonder at, and admiration for, the heroism displayed by both assailants and defenders is mingled with equal wonder (quite free from admiration) that any two civilized Governments, composed of ostensibly sane human beings, should ever have persuaded themselves that any useful purpose could be served by, on the one hand, seeking to retain and, on the other, seeking to obtain, this dreary fag-end of mother earth, at the cost of thousands of good lives. A small volume of philosophy might easily be devoted to the problem, but it would in all likelihood miserably fail to arrive at a satisfactory solution. To examine these shattered miracles of construction, these half-filled ditches, stupendous caponiers and galleries of solid concrete, is to be filled with a melancholy sense of the futility of some forms of human effort. The mangled debris of dismantled cannon cumbers the earth in every direction, and the slopes of the hills are everywhere fairly pock-marked with traces of the hurricane of shells and bullets which must have swept them without cessation during the siege. The gigantic tower, in the form of a lighthouse, which crowns the summit of Monument Hill, and the smaller pile which rises above the eastern slope of Hsiao-An-tzu-shan, covering the bones of 20,000 Japanese and 14,000 Russian dead respectively, are thus at once tributes to human heroism and human folly. Tons of gold and rivers of blood for the abomi-

nation of desolation—such is the epitome of Port Arthur, or Ryojunko, as it is called by the Japanese. But these deliberate considerations which follow the event cannot diminish the intense and painful interest which accompanies the pilgrimage, and those who do not care to make the round of the forts can obtain a very fair idea of the horrors and imbecility of the struggle by paying a visit to the famous military museum (*Chin-retsu-jō*) which stands upon an eminence to the east of the old town, and contains a most interesting collection of trophies and relics.

The South Manchuria Railway Company's guide speaks of the fine climate of Port Arthur. Personally, I can but say that never have I had to battle with such a gale as that which blew throughout my two days' stay, or submit to such a thorough soaking from such a downpour as that which signalized my ascension of 203-metre Hill. A ruined pair of boots and suit of clothes and a cold which refused to leave me for weeks were among the more tangible evidences that I had been to Port Arthur. The town has a population of nineteen thousand, and is the seat of residence of the Governor-General of the Kwantung Leased Territory and also of the Admiral in command of the Ryojun Naval Station. Both these functionaries have probably done nothing to deserve their fate.

For some time past it has been fairly evident that Japan does not quite know what to do with Port Arthur. Nothing has been done to repair the ruined forts, and only those forts which were found wholly or nearly intact when the town was captured are now

garrisoned. The latest indications are that Port Arthur will be thrown open to foreign trade as a subsidiary port to Dairen, though in some respects even superior, in the hope of thereby accelerating the downfall of Yingkow, though Japanese interests at that port are by no means inconsiderable. Certainly so long as the town continued to rank merely as a naval and military station, its sole additional significance would remain that of a gigantic charnel-house and graveyard of dead ambitions.

A GRUESOME RELIC AT PORT ARTHUR.

CHAPTER XVI

JAPAN IN SOUTH MANCHURIA (CONTINUED).

History of the Conclusion of the Sino-Japanese Railway Agreement of September, 1909—Persistent Japanese Misrepresentations of China's Attitude—The Sino-Japanese Treaty of Peking in Relation to this Question—Remarkable Discrepancy between the American and Japanese Official Translations of Article VI. on Which Japan Based Her Right to Reconstruction of the Antung-Mukden Line—Japan's Right Actually Forfeited in 1908—Galling Tone of Japanese Official and Press References to China—The Famous Japanese *Communiqué* Announcing Japan's Independent Action—Brief Analysis of the Agreement—The Town of Antung—Travelling on the Antung-Mukden Railway during initial Stages of Reconstruction Work—Some Facts concerning the Undertaking—A Big Engineering Feat—Inconveniences of Travel in this Region—Mukden and Changchung—The Russo-Japanese Railway Junction—Unfounded Complaints—From Changchun to Harbin—Invidious Comparisons—Russo-Japanese Contrasts—The Chinese Boycott and its Effect upon Japan's Trade with China.

THE conclusion of the Sino-Japanese Agreement in September, 1909, marks one of the most important milestones in the path which is swiftly and surely leading Japanese diplomacy to the *de facto* control of the destinies of Manchuria, unquestionably strategically, and it may even be economically, though in the latter connection there are other Richmonds in the field. *Inter alia*, a good deal has been said in previous chapters on the subject of this Agreement and what it means for the Japanese, this more especially from the Russian point of view, but it seems to me desirable to consider briefly, from an independent standpoint, the history of this transaction in special relation to the construction of the Antung-Mukden

Railway, consent to which, from the Chinese side, it specifically embodies.

Those who have not had the opportunity, from lack of energy on their own part, or from lack of enterprise on the part of the Chinese, of examining all the evidence may well be excused for supposing that Japan was really long-suffering and forbearing throughout this historic controversy. And yet any careful reference to the text of the Treaty of Peking, 1905, on which the Japanese based their right to reconstruct the line, would have sufficed to show that, on the Japanese side, it was a case of something perilously resembling the *suppressio veri* and the *suggestio falsi*. No wonder, therefore, that people gradually began to believe that on the side of China was all the guilt and on the side of Japan were all the Christian virtues. Even a paper of the high standing of the *Jiji* had not the independence to quote the terms of the Treaty in full, and preferred to write editorials in a tone evidently designed to express lofty contempt for the *naïveté* and political nullity of the Chinese. When in August, 1909, relations between the two Powers appeared decidedly strained over this issue, the *Jiji* pointed out that Japan would still be prepared to enter into negotiations if China would but show some signs of *repentance* for her past egotistical attitude towards Japan. Japan was finally driven, by Chinese "obstinacy and obtuseness," to take "free action" in the matter of the reconstruction of the railway, and apropos of this, the *Jiji* expressed the hope that China would profit by the valuable lesson which

Japan had been constrained to teach her. In what did this lesson consist? In the fact that there are bounds to all magnanimity. Whose magnanimity? Whose but Japan's? Japan and Japan alone had shown magnanimity. "Japan granted as many concessions as possible to China, and only in the end had recourse to an unusual step," *i.e.*, the arbitrary commencement of the work of reconstruction. Through all these obvious platitudes is audible the theme of immeasurable superiority, of moral inaccessibility and aloofness, undoubtedly highly gratifying to the possessor of these great qualities, but calculated to reduce ordinary mortals to ineffable despair. "If China should forget this important lesson," continues the *Jiji*, "and as before maintain her stubborn and selfish attitude towards Japan over other current questions, Japan will be compelled to change the foundation of her relations to the Celestial Empire." The *Jiji* considerately refrained from any explanation of the horrors which such a change might be expected to involve, but we have good reason for believing that it would have assumed the form of something decidedly unpleasant for China, perhaps even "something with boiling oil in it." And yet what are the facts? Simply that, under the terms of the Treaty, Japan forfeited all right to reconstruction on December 22nd, 1908. So that there shall be no doubt on this head I append a translation of Article VI. of the Peking Convention relating to the railroad in question, as it appears in the compilation of treaties with or concerning China and Korea, published by the United States Government, viz:—

"The Imperial Chinese Government agree that Japan has the right to maintain and work the military railway line constructed between Antung and Mukden and to improve the said line so as to make it fit for the conveyance of commercial and industrial goods of all nations. The term for which such right is conceded is fifteen years from the date of the completion of the improvements above provided for. *The work of such improvements is to be completed within two years, exclusive of a period of twelve months during which it will have to be delayed owing to the necessity of using the existing line for the withdrawal of troops. The term of the concession above mentioned is therefore to expire in the 49th year of Kwang Hsu.* At the expiration of that term the said railway shall be sold to China at a price to be determined by appraisement of all its properties by a foreign expert who will be selected by both parties. The conveyance by the railway of the troops and munitions of war of the Chinese Government prior to such sale shall be dealt with in accordance with the regulations of the Chinese Eastern Railway. Regarding the manner in which the improvements of the railway are to be effected, it is agreed that the person undertaking the work on behalf of Japan shall consult with the Commissioner despatched for the purpose by China. The Chinese Government will also appoint a Commissioner to look after the business relating to the railway, as is provided in the Agreement relating to the Chinese Eastern Railway. It is further agreed that detailed regulations shall be concluded regarding the tariffs for the carriage by the railway of the public and private goods of China."

I think it may be taken for granted that an American official translation in this context is likely to be absolutely unbiassed, and this being so it is instructive to note that as between the foregoing and the version given out to the Press by the Japanese Government there are some decidedly remarkable discrepancies. If I am not mistaken, *The Japan Chronicle* of Kobe, to my mind one of the most ably-conducted newspapers in the Far East, was the first to call attention to these discrepancies and to the fact that the Japanese Press, in quoting the article, carefully omitted the italicized lines and, in accordance with the Japanese official rendering, gave a somewhat different construction to the opening

clauses of the article. To illustrate my meaning I cannot do better than append the article as it appeared at the time in the columns of *The Japan Times*, a semi-official, Japanese-owned daily paper published in English in Tokyo.

"The Chinese Government agrees to the military railway constructed between Antunghsieng and Mukden *being transformed into a line for the transmission of merchandise of all nationals and conducted by the Japanese Government.* The term in which the railway will be conducted by the Japanese to be fifteen years from the date on which the *transformation* of the line is completed. Upon the expiry of the term the railway will be sold to the Chinese Government, its value being decided by two experts, one to be appointed by each of the contracting parties. During the time the line is under the control of the Japanese, Chinese troops, arms, and provisions will be transported according to the terms of the Chinese Eastern Railway Treaty. In effecting the *transformation* of the railway, the Japanese authorities in charge will consult with commissioners to be appointed by the Chinese Government. Rates on goods belonging to the Chinese Government or private individuals will be specially arranged."

It will be seen on comparison of the above two versions, that the American compilation does not use the word "transformation" but "improvement." Irrespective, however, of this consideration, which is not without importance as helping to explain and justify the Chinese attitude, it will be noted that the clause so significantly omitted from Japanese versions provides that the work of improvement of the line must be completed within two years—counted from the date the Treaty is signed—exclusive of a period of twelve months during which the line would be used for the withdrawal of troops. Now, the Treaty was signed on December 22nd, 1905, so that, allowing three years in all for the improvement to be effected, it will be seen that the period expired on December 22nd, 1908. As *The Japan Chronicle* pointed out at the

time, there can be no question about the date, "because the Convention contains a clause stating that it was signed on the 26th day of the eleventh moon of the 31st year of Kwang Hsu, while Article VI. provides that the fifteen years' concession will expire in the 49th year of that period, thus giving Japan three years in which to complete the 'transformation' or improvement of the line." When, therefore, in the face of this evidence, we find the Japanese Press accusing China of bad faith, of "humbug diplomacy," "Machiavellism," of attempts to evade her obligations by hook or by crook, is there not strong temptation to retort in kind? To quote *The Japan Chronicle*: "In view of the suppression of the clause in the Convention set forth above, may not accusations of warping the meaning of a statement and attempting to evade the letter and spirit of a Treaty come back upon Japan herself? If the American translation of Article VI. of the Peking Convention is to be relied upon, then the version put forward by *The Japan Times* is inaccurate and misleading, for it omits two clauses which show that the Japanese contention has by effluxion of time lost any validity it ever possessed."

Small wonder, in the circumstances, that Japan would not accede to China's request that the question should be referred to The Hague for arbitration, on the ground that ordinary diplomatic means had not yet been exhausted, and it is significant that when, in the opinion of Japan, these means had been exhausted, she had recourse to "independent action" as a more

accommodating and certain expedient than recourse to The Hague Tribunal.

Almost identical tactics were resorted to in the case of the Chientao boundary question, but luckily for China, she was able to adduce such overwhelming proof of her title to possession of the territory in dispute, that Japan had perforce to yield, though on the other hand, she took good care to indemnify herself for this unavoidable concession by extorting countervailing privileges in the Agreement of September, 1909.

In its *Communiqué* issued early in August, 1909, to explain to the Powers the grounds upon which Japan was forced to resort to "independent action," the Japanese Foreign Office stated: "The objections of China, on the one hand, to the fulfilment of the treaty stipulations above mentioned, on what must be regarded as *frivolous and inconsequential grounds*, and the necessity under which Japan labours, on the other, to carry out under all circumstances the contemplated improvements of the line in question, make it entirely proper for Japan, in taking independent action in the matter, to explain the situation which calls for such action." It must be confessed that both *Communiqués* which preceded the above course were skilfully-worded documents. Indeed in all these disputes with China, Japan has shown infinitely more finesse than her opponent in presenting her side of the case. The Chinese authorities, apparently, deem it *infra dig.* to have recourse to the medium of the Press for the dissemination of their views, and the result has been

that, with some notable exceptions, Japan in the Antung-Mukden Railway question managed to drum up a fairly strong feeling in her favour in both England and America, for which China herself was largely to blame for allowing this appeal to the opinion of the world in general to be *ex parte*. As indicated in previous chapters, it must impress the foreign onlooker as strange that Japan should find it to her account to persist in this campaign of misrepresentation against China, and such a course of action is so irreconcilable with any idea of a Sino-Japanese compact against Russia that, in the absence of more convincing testimony, the latter must be pronounced mythical. What may come later it is not for me to say, but the above inference is fully justified as things are.

Analysing the new Sino-Japanese Agreement, the full text of which appears in the appendix, it will be seen that, on the Japanese side, three important concessions are made, viz., the recognition of the Tumen, or Tuman-gang, as the boundary between Korea and China; tacit permission to build the Hsinmintun-Fakumen Railway; and acquiescence on the part of Japan in the removal of the Chinese station for the Peking-Hsinmintun-Mukden line, hitherto situated to the west of the South Manchuria Railway, clear to Mukden, on the east of the Japanese road. On China's side are conceded: Permission to reconstruct the Antung-Mukden Railway; transference to the Japanese of the Tashihchiao-Yingkow branch with the right to continue it to the town of Yingkow; consent to grant Japanese capitalists and Japanese engineers

a share in the construction of the Changchun-Kirin Railway; consent of the Chinese to extend this line eastward to Hoiryong, there to connect with the Hoiryong-Chhyongjin Railway (at present a narrow-gauge line); and the right to work the Yentai and Fushun collieries, as also the mineral wealth included within the zone contiguous to the Antung-Mukden and South Manchuria lines.

The reproach has been aimed at the Amur Railway that it is purely a strategical line. The same argument is naturally made use of by the Russians against the Antung-Mukden Railway. The larger portion of freight from South Manchuria and the Liao region will continue as before to proceed to the nearest ports—Yingkow and Dairen—and the new route must therefore possess an almost exclusively strategic character. On its completion, which is now estimated to be three years from 1909, the Japanese will have at their disposal for the concentration of an army against China on the Liaoyang-Mukden front,* a continuous line of railway from Fusan to Mukden, more advantageous and better protected than the Dairen-Mukden route.

* In the Treaty of Portsmouth clause 3 of Article II. declares that "in order to avoid all cause of misunderstanding, the two High Contracting Parties will abstain on the Russo-Korean frontier, from taking any military measure which may menace the security of Russian territory," and Article VII. reads: "Japan and Russia engage to exploit their respective railways in Manchuria exclusively for commercial and industrial purposes and in no wise for strategic purposes. It is understood that that restriction does not apply to the railway in the territory affected by the lease of the Liaotung Peninsula." At the risk of being called cynical, I must candidly confess my own personal conviction that, in the event of hostilities—which, let me hasten to add, I regard as remote—between Russia and Japan, or Japan and China, or all four, neither of these clauses would prove to be worth the paper on which it is printed. War has a bad habit of abrogating all treaties. Indeed from the Russian standpoint, the entire trend of Japanese policy on the northern frontier of Korea already constitutes a distinct military menace to Vladivostok and the Ussuri region.

Moreover, the time required for the carriage of troops from Moji to Fusan is only seven or eight hours, whereas to land them at Dairen would take about three days. Speaking generally, the benefits derived by Japan through the new Agreement may be summed up as follows: The strengthening of her political and economic influence in Mukden and the greater part of Kirin Province; nullification of the concessions made by her by virtue of this very Agreement; the opportunity to build an entire network of strategical lines with the chief ports as practical bases in Manchuria and Korea—Yingkow, Dairen, Antung, Fusan, and Chhyongjin. In the same context must be considered the projected railways in Korea and China, among the latter being the Hsinmintun-Fakumen-Taonan-fu line. Taonan-fu is on the Tor River, about a hundred miles south-west of Bodune. It can scarcely be doubted that, in the event of hostilities with Russia or China, Japan would not be long about availing herself of the Chinese railroads, which would render her position even stronger.

I had the good fortune to travel over the Antung-Mukden Railway just when the Japanese had inaugurated the reconstruction work. Antung-Hsien, or Antung-ken, as the Japanese term it, the starting point of the Antung-Mukden Railway from the south-east, is really the Japanese quarter, the two places being separated only by a ditch. The Chinese quarter has a population of some twenty thousand, and the Japanese nearly six thousand. The towns are situated about seven miles from the mouth of the Yalu

STREET SCENE AT ANTUNG.

JAPANESE CONSULATE AT ANTUNG.

and face New Wiju, which lies on the Korean side of the river. They form a growing trade centre for timber and wild cocoons. The Japanese town is lighted with electricity and the streets are, on the whole, well laid out and well kept. The Yalu has a bad habit of overflowing during the rainy season, and the traces of one of these inundations still remained at the time of my visit. The increasing importance of Antung may be gauged by the presence of the newly-established consulates of the United States and Great Britain, in addition to the very handsome premises representing Japan. Japanese financial interests are also looked after by a substantial branch of the Yokohama Specie Bank.

The Yalu Timber Company, under joint Japanese and Chinese management, has its headquarters at Antung, where it proposes to open a large timber-yard in the near future. The forest zone in the hinterland is so extensive and so densely wooded that the Company, it is estimated, may safely take out during the twenty-five years of its charter, from fifteen million to twenty-five million square feet of timber without depleting the available supply to any appreciable extent. The Yalu is more than five hundred miles long, but only its lower half is navigable, and the timber is floated down the stream in rafts from the upper reaches.

I arrived at Antung early in September, 1909, having crossed the Yalu from New Wiju in a motor launch at five o'clock in the morning. News was forthcoming in the course of the day that owing to the

heavy rains another of the frequent breaks had occurred on the line, and that it would be necessary for passengers to get out and walk more than once between Antung and Tsaohokou, the station almost midway between Antung and Mukden. From what the Japanese hotel people said, I gathered that I might even have to carry my own equipment should I persist in my determination to brave the mild perils of the journey, and that thefts of luggage by Chinese coolies were by no means uncommon. September 8th dawned raw and gloomy, and at half-past six I repaired in a Chinese droshky to the so-called station, which is not far from the banks of the river, and wholly unsheltered. A small crowd of prospective passengers had already assembled, still in doubt as to whether the train would venture to start in such adverse circumstances. The telephones were hard at work within the dilapidated shanties which do duty as telegraph, ticket, and luggage offices. While our fate hung in the balance I had a chance to examine the train which was waiting alongside the platform. There were only two classes—second and third. A light railway built for military purposes cannot reasonably be expected to provide all the comforts of home or of a standard-gauge line. The accommodation was therefore no better and no worse than I had anticipated. The seats in the Lilliputian second-class were cushioned, which was something, whereas in the third-class plain boards were good enough. A tall man would have been in some danger of lifting the roof off had he stood upright, but luckily the majority were small men and

ran no such risk. The locomotive was a Baldwin of the usual type in use on light railways. With the exception of myself and a somewhat depressed-looking Russian in the third-class, the passengers were all Japanese and Chinese. Finally word came that the train would start, and a scramble ensued for places. In the third-class the scene was one of pandemonium, but things were better in the second-class, where I had no difficulty in securing a seat. The first break in the line was not far from Wulungpei, a picturesque spot where there are hot-springs. At this place and some others further on we had to cross trestle bridges the ties of which sloped at an uncomfortably acute angle, and it needed a fairly steady head to negotiate the passage in safety. I could not help admiring the nonchalance with which several Japanese women of a certain class crossed these bridges without any masculine assistance which, I might add, was never proffered. In the case of the only lady—a Japanese —in the second-class, the means of locomotion over these gulfs was a railway truck pushed by coolies. The luggage was carried in the same manner. The narrow track beyond bisected interminable fields of that great staple of the Chinese agriculturist, *kaoliang*, which often grows higher than a man's head.

This journey gives the traveller a very good opinion of the resources and skill of Japanese engineers who, during the war, were able to carry the line along its tortuous course without boring a single tunnel. From Fenghuangcheng and from Chiumuchuang to Tsaohokou the road makes some surprising twists and

turns, which are even intensified on the Lienshankuan-Chiaotou section. The line rises and descends in a series of sweeping curves, looping many of the hills in a bewildering manner, amid scenery of the most picturesque character. Ten miles west of Lienshankuan is the celebrated Motienling Pass, the prize contested twice in vain at a terrible cost by the Russians during the war.

Until the railway is reconstructed, travellers have to stay overnight at the half-way station Tsaohokou, where Japanese accommodation is available. Here I was able to get a good bath, which is very necessary after a day spent in a train whose engine burns Fushun coal. For the benefit of those who may come after me, I would strongly urge that they turn a deaf ear to the blandishments of the hotel *nesan* and "boys," and politely but firmly refuse alleged foreign food. I myself acted on the spur of the moment and speedily had reason to repent my decision. As far as I can remember, my first course consisted of fried eggs smothered with pepper, and without bread or any kind of vegetable. A tough beefsteak equally destitute of moral support came next, and only at the last moment, when I was thanking my stars that the ordeal was over, did the smiling servitors tender me a flabby, dabby substance resembling warm dough treated with cart-grease, which in those latitudes and altitudes bore the courtesy title of *bata*. The sight of a foreign bed inspired me with renewed hope, but when I came to lie down and a row of hard springs jarred the small

of my back, I again had reason to modify my first impressions and to envy my Japanese companions who were at least assured of a level surface and a certain degree of softness upon Japanese *futon*, or thick quilts, placed upon the *tatami*, or native mats.

From Antung I had as a travelling companion an important Japanese railway official from that town. He was making the trip for the purpose of inspecting the progress of the reconstruction work, and he gave me a few particulars touching the main features of the undertaking. The distance from Antung to Mukden is only 188 miles, and the fact that it takes two days to accomplish the journey is the best argument from the Japanese standpoint in favour of a speedy change of gauge. The cost of the work is about Yen 22,000,000, or £2,200,000. According to my informant, fully thirty tunnels will have to be bored, the longest of these being nearly a mile in length. The boring of these tunnels will probably rob the present route of part of its picturesqueness, but sufficient will remain to repay the traveller for his time, trouble, and outlay. The South Manchuria Railway Company was made the target of some abuse by the English Press for its action in borrowing money from English capitalists and then spending it in America for American rolling-stock, including locomotives. I was assured by my informant that the Company did not intend to repeat this mistake in tactics, but that, while a large number of the coaches would be bought in America, nearly all the engines would be English, experience having convinced the

railway administration that these were more durable than their American rivals. The rails are being ordered from English, American, Russian, and Japanese makers as the progress of the work requires. At the time of my journey very few miles of track had actually been laid; but materials were being concentrated at various points all along the line, and in many places the sites for the new stations were being cleared. It was proposed to have thirty thousand Chinese coolies at work in the near future.

A very essential preliminary to the satisfactory prosecution of reconstruction has been the purchase of the land required for the broader gauge. An office called the Kochi-kyoku had to be established under the direction of a Japanese and Chinese official. At the outset, as might have been expected, a very great discrepancy was found between the prices demanded by the Chinese owners and the prices which the Japanese were prepared to pay, but finally, the Japanese allege, these conflicting appraisements were reconciled and the work is now being rapidly pushed forward.

As though the fates took a malicious delight in creating friction between Japan and China at every step, the progress of the work is being punctuated by minor collisions. One of the latest was promoted by the action of the Chinese in policing the line with a special force—a proceeding which greatly incensed the Jingo Press of Japan. That China should have had the temerity to take this step without first obtaining Japan's permission was regarded as a piece of

insolence which Japan could scarcely afford to pass unnoticed, etc., etc. Sino-Japanese relations are indeed so essentially kaleidoscopic that any attempt to elucidate them must in the very nature of things be ephemeral.

At Mukden there is now a very fair foreign hotel within the walled city, the Astor House, under competent German management. The only drawback for travellers in a hurry is that it is a long way from the South Manchuria Railway station. The South Manchuria Railway Company, however, is preparing to build a handsome hotel close to the station, on the same lines as the luxurious establishments at Dairen and Port Arthur, and when this is done the conditions of travel in the province will be vastly improved. At present, passengers bound for Peking and Tientsin from the Changchun direction are landed at Mukden by the Japanese express at one or two o'clock in the morning, and as the Chinese train leaves Mukden between nine and ten o'clock in the morning, they are obliged to pass the intervening hours in the station buffet or in a coupé of the Chinese train itself, which is already in the station. All these shortcomings will be eradicated in the course of time, and meanwhile the over-fastidious can search for some other route.

On the trunk-line of the South Manchuria Railway are now running three express trains a week, composed of excellently-equipped dining, sleeping, and first-class cars, between Dairen and Changchun, in connection with the Trans-Siberian express trains and

with Shanghai mail steamers. The Japanese express train leaves Dairen at 11 a.m. and arrives at Changchun about six a.m. on the following day. I must confess to being conscious of a strange sensation when, on alighting from the Japanese express, after a prolonged interval of Japanese speech and pleasant Japanese intercourse, I saw on the other side of the platform the towering forms of the Russian railway officials and employees in their semi-military uniforms, wearing the distinctive *kartous*, or Russian peaked cap, sometimes the *shapka*, and those heavy top-boots which the Russian appears to have been born in. The contrast between the lighter vowel tones, the alert and dapper exterior of the one nationality and the heavy build, slower movements, and deep, sonorous voices of the other, seemed to furnish the epitome of two forms of civilization. The wider gauge of track and greater bulk of the Russian train itself were equally typical. When, too, I descended at Kwangchentzu, the next station, and once more, after several years, admired the splendid physique of the massive-chested railway guards, the perennial good-humour and high spirits of stylish-looking and comely officers, I could not help feeling that the few miles which separated the stations represented a sudden transition from Asia to Europe, though both are in China. The sensation was strengthened when I made a dash for the buffet and renewed acquaintance with a glass of incomparable Russian tea and a plate of inimitable Russian cakes (*stakan chayu s' piroshnimi*). A tall and handsome Russian officer, with rosy cheeks and an expression

of infectious *bonhomie*, noting with visible pleasure my assault upon these dainties, called out in Russian —*Kazhetsya, vam nravitsya Russky chai s' piroshnimi?* ("It seems you like Russian tea and cakes?") I returned an appropriate answer, and I had an entertaining companion as far as Harbin. At the latter place the traveller bound north-west or almost due east, as the case may be, has to change again into the Wagons-Lits express or Russian State train, with whichever he chances to connect. The journey from Changchun to Harbin takes about seven hours. After all that has been said in disparagement of what is purely a short-distance train for the run to Harbin, I feel bound to state that I cannot understand upon what basis of justice or common sense these complaints rest. I have never travelled otherwise than second-class in any Russian train, and have come to the conclusion, after experience of the Wagons-Lits, the State train, and the post train, that, taken all in all, travelling on Russian railways is the most comfortable in the world. The connecting train between Changchun and Harbin, as I found it, is in every respect satisfactory. I may be less exacting than some of the "chronic kickers" who go about the world spreading weird misconceptions of things foreign, but the few other countrymen whom I have had occasion to question on the same subject fully endorse my view of the case.

In connection with the short trip from Changchun to Harbin, two little episodes stand out in bold relief. Both were in their way trifling, perhaps, but viewed from another standpoint they were characteristic of

the time and place. Among the passengers was a young Russian with his wife, dressed very much in the American style and without beard or moustache. In conversation I learned that he had been studying dentistry in the United States and was returning to practise somewhere in Siberia. The fact that he was a red-hot revolutionary surprised me less than the fact that he took not the smallest pains to conceal his political views, but in the hearing of all and sundry, including several Russian officers, damned authority beyond redemption. When I asked him if he was not afraid of provoking some sort of remonstrance from the military, he smiled ironically. "I'm not a bit afraid of them," he said. "I'm a small man in comparison with them, no doubt, and they look very big and strong. But I was taught how to box in the States, and I'd engage to lay any one of them out, if it came to a physical encounter." At Harbin, again, while strolling up and down the spacious platform, so soon afterwards to be dyed with the blood of Prince Ito, I was accosted by a Russian orderly, a smooth-cheeked young fellow with a pleasing expression. We discussed many subjects. He told me that he hailed from the Baltic provinces, and that when he had to join the colours as a conscript he could speak scarcely a word of Russian, most of which he had learned at Harbin. He then spoke the language fluently, and when I complimented him on his efficiency, he informed that he knew German, Polish, and some French as well. I asked him if he liked life in the Russian Army, and he returned a prompt negative, adding that

the food in his regiment was no better than it should be. Thereafter we drifted on to various topics, and were engaged in considering the methods and merits of Japanese wrestlers, when I became suddenly aware of a shadow overhead. I looked up and saw standing immediately behind us a Russian gendarme of Herculean proportions. He was bending forward in an evident effort to overhear our conversation. I gazed at him interrogatively, whereupon he gently twirled a superb moustache and strolled quietly away. Perhaps he took me for a Japanese spy disguised as an Anglo-Saxon. Soon afterwards the third bell rang, and hastily slipping a sample of the Russian imperial paper currency into my young friend's hand, I boarded the express and resumed my journey north.

In closing this brief review of the railway problem in South Manchuria, it must be admitted that China, weak as is her Government in a military sense and therefore incapable of opposing Japanese encroachments with other than verbal weapons, has none the less an effective unofficial ally in the Chinese merchants of the north and south, who have it in their power to inflict upon Japan almost irreparable loss by means of the boycott. Already Japan's little differences with China during the last two or three years have cost her many millions of yen representing the decline in Japanese exports to the neighbouring Empire. Thus, for example, there has been a drop from Yen 117,779,533 in 1906 to Yen 60,506,991 in 1908; the figures for 1909 show an improvement to the extent of Yen 73,087,891 which may be

accepted as a good sign. At the time of the *Tatsu-maru* affair and the Pratas Island squabble, the Japanese Consul at Hongkong had occasion to warn his Government of the grave injury to Japanese commercial interests that was being engendered by the policy of pinpricks, and advised a more yielding attitude. The Chinese students in Japan have shown themselves earnest advocates of the boycott movement, more especially with reference to the Antung-Mukden Railway question, which, it cannot be doubted, has left a more unfortunate impression upon the popular Chinese mind than any other issue which has hitherto arisen between the two nations. The boycott has not been restricted to the buying and selling of goods, but has also taken the form of an appeal to the people not to rent or sell land and houses to the Japanese; not to work upon the Japanese lines of railway, or in the Japanese mines. Japan has not been slow to make strong diplomatic representations on the subject, and as regards the boycott in the south, the English authorities at Hongkong have in the past exhibited an eagerness to co-operate which make it only too clear that when the *corpus vile* is a Chinaman and the plaintiff Japan, English law is capable of astonishing elasticity, to say the least.

CHAPTER XVII

JAPAN IN SOUTH MANCHURIA (CONCLUDED).

Japan's Fight for the Manchurian Market Natural and Legitimate So Long as Treaty Obligations Are Observed—Delicacy and Fine Feeling of the Powers towards Japan—Britishers in the Far East Cease to Look to their Country for Support against Japanese Economic Encroachments—The United States Willing but Timid, as Shown in the Crane and Cloud Incidents—The Cloud Allegations Examined—The Japanese Case—Charges of Discrimination No New Thing—Japanese Imports not in very High Repute—The Yokohama Specie Bank and Accommodation for Japanese Merchants—The Currency Muddle in Manchuria—The South Manchuria Railway and Warrants against Cereals for the Benefit of Exporters—A Novel Precedent—Effort to Divert Trade from the Russian Line—Japanese Rank and File not Popular in Manchuria—The Monstrous Regiment of Women.

Nobody with common sense will quarrel with the Japanese for resorting to all legitimate means within their power to expand their trade in Manchuria. It is perfectly natural that this should be so and that, other things equal, Japan's favoured geographical position should confer upon her special advantages in this regard. It is even easy to understand that, to the popular mind in Japan, the remorseless application of the open-door and equal-opportunity principles to a country which has spilt so much blood and spent so much treasure "to preserve the peace of the Far East" and "to save the Three Eastern Provinces for China," as the cant phrase goes, must appear in the highest degree unjust and unreasonable. Apart from the essentially modern brand of idiot who, "psycholo-

gized" by Japan's victories over Russia, became obsessed by the novel idea that Japan had made these enormous sacrifices for the benefit of humanity in general and without any ulterior thought of material gain, no man in his right senses imagined at that time or since that Japanese statesmen would rest content with the *post-bellum status quo*, or believed that they would not strain every nerve and fibre to indemnify the country for these losses by means of a virtual economic monopoly in Manchuria. On the other hand, Japan has herself voluntarily subscribed in numerous treaties and conventions to the principle of the open-door and equal opportunity in China, so that she cannot complain when the Powers, on their side, show a disposition to pry somewhat closely into the ramifications of her activities in Manchuria, more especially. Not that Japan has really much reason to complain on this head, for as I have shown in previous chapters, the Powers throughout have, since the war, manifested a delicacy and fine feeling in their relations with Japan which would be more convincing and impressive if they were of less recent growth. The attitude of Great Britain, for example, can be safely prophesied in any given case; indeed the sentiment which has taken firm root among Englishmen in the Far East that there is nothing to hope for from Downing Street when the defendant is Japan and the plaintiffs are Englishmen, is in no small measure responsible for the rapid intensifying of racial bitterness which is indubitably one of the least desirable legacies of the war.

Great Britain's reluctance to incur the displeasure of Japan is rarely open to the smallest doubt. When, for instance, in November, 1909, Earl Stanhope asked the Earl of Crewe whether it was not advisable to determine the geographical limits within which the Japanese Government was entitled to veto or intervene in such measures as the Chinese Government might desire to take for the development of Western Manchuria and Mongolia, the Earl of Crewe replied that the noble Earl was treading upon somewhat risky ground and that the matter was one entirely for arrangement between the respective Governments of China and Japan. What, then, becomes of the principle of the open-door and equal opportunity? As in the case of the Hsinmintun-Fakumen Railway question, English capital may be interested in one of these enterprises, but should Japan impose her veto, England, at any rate, will have nothing to say. Things have reached a pass in which every Power is pledged to every other Power to uphold the integrity of China, the open-door, and equal opportunity, but at the same time there is an absence of indecent haste to implement any one of these pledges when the supposed offender is Japan. It may be asked, if Great Britain does not recognize any obligation to protest against a Japanese or Russian veto which affects perhaps the most important branch of activity wherein foreign capital can be interested, when precisely does she recognize such obligation or necessity?

When we turn to the United States we are impressed by the conviction that here is a very good will, but

a very ineffective way. The revelations in the Crane case prove clearly that the State Department was actually on the point of sounding the Powers with a view to joint protest against the mining clauses of the Sino-Japanese Agreement of September, 1909, but that when through the premature disclosure of this intention it became evident that America would have to play a lone hand in the game if she wished to carry the matter further, the Department lost no time in sacrificing Mr. Crane. Even admitting that Mr. Crane really made the statements ascribed to him—and that he did so is open to some doubt—the manner of his recall could not easily have been more clumsy or better calculated to confirm Japan in the belief that even an indirect intimation of her displeasure is sufficient to elicit instant satisfaction. But had the cases been reversed and the offender been a Japanese Minister, very different tactics would doubtless have been pursued by the Japanese Government. The published utterances would in all likelihood have been denied and stigmatized as pure invention; the Minister would have proceeded to his post; but, on the assumption that the Government had itself lost confidence in his discretion, he would soon afterwards have been transferred or transformed into a Minister *en disponibilité*, to be gently dropped at the psychological moment. Instead of a protest, the Department soon afterwards issued a statement to the effect that it had received assurances from both Japan and China that no exclusive claim to mining rights was intended by the Agreement, which assurances, be

it noted, "confirm the *conclusions already reached by the Department as a result of its careful study of the Agreement in the light of related and contextual evidence.*" It seems a pity that these conclusions could not have been reached before Mr. Crane received instructions to engineer a protest; had this been done, a decidedly undignified diplomatic fiasco might have been averted.

I now come to the celebrated Cloud report and the defence raised by Japan. The fact that a protest of this kind is deemed worthy of categorical denial by the Japanese authorities is in itself a good sign, since it shows that the country is by no means indifferent to the world's opinion. Mr. Cloud succeeded Mr. Willard Straight as Acting United States Consul-General at Mukden, and the sequel proves him to have been worthy of the Straight traditions. About autumn of 1909, Mr. Cloud forwarded a report to his Government the purport of which was that there was reason to believe that a large quantity of Japanese goods had been allowed to enter South Manchuria across the Kwantung boundary, free of duty, the fact that the Dairen Customs are under the control of Japanese officials explaining how such a thing could be possible. It was pointed out that the volume of goods imported to supply the needs of the leased territory, as compared with the quantity imported into the whole of Manchuria, was extraordinarily large. The Chinese Customs Returns for 1908 indicate that the total value of goods directly imported from foreign countries into Manchuria at Dairen was Hk.

Tls. 17,215,936. Of this amount 4,645,079 taels' worth only is shown as having proceeded into the interior by rail, and the balance representing a value of Hk. Tls. 12,570,857 has therefore to be accounted for. Seeing that the population of Kwantung is not much more than four hundred thousand, including some ten thousand Japanese, it was deemed inconceivable that this proportion of imports could have been required for local consumption. The foreign assumption is, therefore, that a good deal of the balance must have been smuggled from Kwantung into the interior by rail, which means that Japanese merchants enjoy an unfair advantage over their foreign rivals.

The Japanese semi-official defence, which lies before me, is unquestionably ingenious and plausible, and I regret that I am not also in possession of Mr. Cloud's full report, which, of course, furnished facts and figures in support of the contentions raised. There is, however, one important consideration in connection with this matter of which the Japanese authorities could scarcely have been ignorant at the time this defence was issued. To begin with, reports almost identical with the one forwarded by Mr. Cloud were sent to their respective Governments about the same time by both the German and English Consuls at Mukden. The inspiration of these reports was simply this. Some time before, when Mr. Straight was United States Consul-General at Mukden, he succeeded with his customary energy in getting through an arrangement whereby the Chinese authorities consented to exempt from payment

of *likin* all foreign imports shipped direct from the port of entry to their destination, so long as such goods had previously secured what was called a bond of indemnity. Later on, during the Cloud régime, the Chinese Imperial Customs made joint representations to all the Consuls at Mukden to the effect that there was a big leakage at Dairen, and that owing to the admission of a large quantity of goods duty-free, the Imperial Customs were being heavily mulcted in revenue. It was added that, unless this leakage ceased, the Government would be compelled to abrogate the earlier arrangement for non-payment of *likin*. Thus it came about that Mr. Cloud and the other Consuls, acting in harmony, framed their reports. It is understood that the German consular report, at least, was couched in far stronger and more emphatic language than Mr. Cloud's. The latter's, however, was the only one at the time to attain publicity in a garbled form.

Turning now to the Japanese explanation of the discrepancies pointed out by Mr. Cloud, it is seen that the basis of this defence is the fact that materials intended for construction work on the South Manchuria Railway are admitted duty-free, and that the year 1908 was precisely the time when the Company had begun to widen and double the track, for which purpose an enormous amount of material had necessarily to be imported. Another circumstance said to account in part for the disproportionately large quantity of goods used in Kwantung is the impetus given to industrial development in the leased territory

about that period. Commenting on this phase of the subject, *The Japan Times* says: "The consular report entirely overlooks these facts, together with another important fact, viz., that the principal articles of importation mentioned in the Customs Returns were precisely those for which there is the least demand in the interior of Manchuria, and therefore we can only take the conclusions arrived at by the Acting-Consul as the result of extremely careless investigations and as a piece of presumption (!)" The explanation goes on to say that Japan's policy regarding Manchuria is simultaneously to develop the ports of Dairen and Yingkow, each according to its peculiar needs and possibilities. Yingkow still continues to overshadow Dairen as a port of import, whence it is inferred that, if these charges of smuggling are justified, the Customs Returns at the former must needs furnish evidence of the fact in the shape of an appreciable falling-off in imports, whereas as a matter of fact these were as numerous as ever in 1908. The explanation speaks also of military supplies for the troops guarding the South Manchuria Railway, pointing out that these supplies, which annually amount to about Hk. Tls. 1,200,000, are not specified as such in the Customs Returns. An analysis of the ratio between the amount of goods imported at Dairen and the amount of those sent out of the leased territory, on the basis of the Chinese Customs Returns (compiled, it ought to be noted, by Japanese in the case of Dairen), yields the following result:—

MATERIALS FOR INDUSTRIAL PURPOSES

Items	Imported at Dairen (in taels)	Sent out of Kwantung	Presumably consumed in Kwantung
R'y materials (exclusively those imported from U.S.) ..	...5,797,433		5,797,433
Lumber	...1,116,057	133,189	982,868
Iron and other metals	822,563	219,646	602,917
Machinery	872,763	—	872,763
Cement	294,327	—	294,327
Coal	121,330	—	121,330
Total	Hk. Tls. 9,024,423	352,835	8,671,638

FOOD MATERIALS

(Including a part of the military supplies)

	Imported at Dairen	Sent out of Kwantung	Presumably consumed in Kwantung
Rice	976,667	414,085	562,582
Flour (American) ...	546,617	152,076	394,541

SIMPLE ARTICLES OF CONSUMPTION

(Most liable to be smuggled)

	Imported at Dairen	Sent out of Kwantung	Presumably consumed in Kwantung
Cotton-threads and piece cottons ...	1,013,359	1,175,479	—
Tobaccos	342,784	222,176	120,608
Sake	544,683 (boxes)	218,486 (boxes)	—
Matches	186,546 piculs	207,701 piculs	—
Soy	33,731	14,305	19,426

Commenting on these figures, *The Japan Times* points out that of the total foreign imports entered at Dairen amounting to Hk. Tls. 17,215,936, Hk. Tls. 9,024,423 is thus accounted for as representing goods entitled to free admission, and Hk. Tls. 4,645,079 as representing goods which passed into the interior of Manchuria duty paid. From the balance of Hk. Tls. 4,146,436 the same paper deducts a sum of Hk. Tls. 1,200,000, not mentioned in the returns, but supposed to represent the value of Japanese military stores which, by virtue of the Treaty, are also privileged to enter Manchuria duty-free. In other words, the net balance to be accounted for, under this semi-official explanation, is reduced to Hk. Tls. 2,946,436. Respecting simple articles of consumption, for which there is the largest demand in the interior, and with regard to which, therefore, there is the largest possibility of smuggling, "the returns show (says *The Japan Times*) that cotton goods, which occupy the most important place in the list, were sent out of the leased territory in quantities far in excess of those imported into the territory."

The Dairen correspondent of the *Far Eastern Review* also offers a plausible explanation of the discrepancy between the amounts imported at Dairen and exported thence into the interior. He states that Japanese importers at Dairen invariably declare their imports into the leased territory at an increased valuation to secure a higher commercial rating, whereas, when these goods are re-exported and have to pay duty, the tendency is the

other way and actual cost or under-valuation is the rule.

"Our conclusion is," says *The Japan Times*, "that the report of the American Acting Consul was the result of *not* having carefully studied the true facts of the case, and of having arrived at an arbitrary conclusion by merely referring to the figures given in the Customs Returns for the total quantity of imports at Dairen and for that leaving the leased territory, without ascertaining the causes which are responsible for the disparity between the figures."

As already intimated, both the "pro" and "con" in this case are to a great extent vitiated by the fact that defendants' counsel is replying without having before him for reference the original pleadings of the plaintiff, but merely a hopelessly abbreviated and apocryphal version almost wholly lacking concrete data, which the consular report of course contained. Even so, however, the Japanese defence is not wholly satisfactory. It seems strange, for example, that American flour to the value of Hk. Tls. 152,076 only should have been exported into Manchuria and as much as Hk. Tls. 394,541 consumed within the leased territory. Another unconvincing item is that of "tobaccos," which in the original returns is classified as "Cigarettes from Japan and Korea." Of the total admitted as having been imported at Dairen, viz., Hk. Tls. 342,784, 222,176 taels' worth (more correctly, Hk. Tls. 222,170) is supposed to have passed into the interior, while 120,608 taels' worth is supposed to have been consumed within the leased territory. On the

other hand, as shown by reference to page 27 of the original returns, cigarettes alone to the value of Hk. Tls. 648,965 were imported at Dairen in 1908. Thus, as pointed out by a correspondent in *The Japan Chronicle*, assuming that there has been no smuggling, the figures would indicate either the retention of very heavy stocks by wholesalers, or a consumption of at least 426,795 taels' worth of cigarettes in the limited Kwantung area as against about half that amount for South Manchuria, where Japanese and American cigarettes are chiefly used, with ten times the population.

Another dubious item is "cotton threads and piece cottons" imported at Dairen. It will here be noticed that whereas, according to official figures, goods to the value of Hk. Tls. 1,013,359 were imported at Dairen, goods to the value of Hk. Tls. 1,175,479 were shipped into Manchuria Proper. On examination of the original returns, it will be seen that the former figures are given by Mr. M. Tachibana, Acting Commissioner of Customs at Dairen, on page 20, where he classifies them as representing "cotton piece goods from Japan, in which were included American and English shirtings," whereas the sum of Hk. Tls. 1,175,479 occurs on page 32 in the special table of "foreign goods forwarded to the interior by railway during 1908." In the same table, besides the foregoing, several other amounts are cited, such as "cotton yarn" (Hk. Tls. 187,853), and "cotton thread in balls and on spools" (Hk. Tls. 4,329 and Hk. Tls. 7,554 respectively). Reduced to quantities, the

first and largest item represents 591,922 pieces, and as the remaining items are comparatively insignificant, they need not be considered here. When reference is made to page 27 of the returns, under the heading of "principal articles imported through the Maritime Customs," it is important to note that for "foreign cotton goods," only quantities and not values are furnished, but a casual glance is sufficient to show that the prices and quantities cannot readily be reconciled. The returns admit only 591,922 pieces as having gone into the interior by rail, but in that case, what became of the whole of the following goods, as specified on page 27 of the same returns :—

Shirtings, grey, plain	(pieces)	177,321
Sheetings " "	"	108,118
Shirtings, white, plain	"	8,716
Drills	"	20,851
Jeans	"	10,891
Japanese cotton cloth	(yards)	3,319,555
Cotton goods, unclassed Japanese	(pieces)	566,278

Those familiar with the trade may be able to corroborate the statement that the above quantities must have cost more than Hk. Tls. 1,013,359, the value declared by Mr. Tachibana against imports at Dairen. The correspondent in *The Japan Chronicle* states that the approximate value would be nearer Hk. Tls. 4,500,000, which would leave some three million taels' worth of cotton goods to be consumed in the leased territory by 400,000 Chinese and between thirty and forty thousand Japanese, or over twice the amount distributed via Dairen throughout

South Manchuria.* The significant aspect of these statistics is, however, that so far from admitting that this quantity was consumed in Kwantung, the Japanese figures make out that more cotton goods were forwarded into the interior by railway during 1908 than the total imported during the same period at Dairen, though even on the basis of the quantities cited above, the difference between five hundred thousand odd pieces admitted to have been forwarded into the interior by rail and the seven hundred thousand odd pieces representing the *quantities* of cotton goods imported at Dairen remains to be accounted for.

To quote the language used by *The Times'* correspondent in this context: "Making all possible allowance for goods intended for Japanese 'enterprises' at Dalny (*sic*), which includes a considerable sum for railway materials, it is difficult to deny the conclusion that the present conditions of trade in and through that port are unfair to the legitimate trader and seriously detrimental to the Chinese Government's revenue. The trade returns confirm the fact, which is being amply demonstrated by political complications all along the line, that a railway on Chinese soil, owned by a foreign Power and 'protect-

* In replying to this portion of *The Japan Chronicle* correspondent's argument, *The Japan Times* has interpreted his words to imply that the figures cited represent the entire import of cotton goods into South Manchuria, and promptly quotes the Newchwang Customs Returns to show that a large quantity of similar goods was passed at that port for the interior. It seems to me, however, that the writer in *The Japan Chronicle* is obviously referring in this context to the quantities distributed *via Dairen* throughout South Manchuria, and I have therefore taken the liberty of inserting those words for the sake of clearness. The same correspondent's statement that Japanese cotton goods have during the past three years virtually displaced the English and American product in the same region is scarcely borne out by the figures themselves.

ed' by its military forces, is not calculated to promote either the peace or the prosperity of the sovereign State."

The remedy suggested is that Japan should follow the precedent adopted on the Russo-Manchurian frontier, and permit the establishment of a Chinese Customs station, say at Pulantien on the boundary between the leased territory and the province of Fengtien, but so far no understanding has been arrived at in this direction.

With reference to the charge of smuggling, the *Manchuria Daily News*, the organ of the railway at Dairen, writes: "It is an open fact that the South Manchuria Railway has never accepted for shipment at its stations at Dairen or elsewhere in the leased territory any goods other than provided with a certificate issued by the I. C. M. Customs, Dairen, against the full payment of the duties, if any, as required by the regulations. It is as well known and as clearly established that the railway has instructed its officials and employees to co-operate with the Customs authorities in the task of maintaining rigorous vigil against any possible attempts at smuggling, and that nowhere else under similar conditions can be observed such strict enforcement of the Customs Regulations as has been the case here in the leased territory. Presumably with a view to safeguarding its interests further, if possible, the Dairen Customs have just started another innovation by sealing up officially all the goods cars loaded with shipments destined to points outside the leased

territory." The above arrangement, no doubt, would relieve the South Manchuria Railway of responsibility, but it has very little bearing on the charge—which I am neither supporting nor denying—that it is the very Customs authorities themselves who are conniving at Japanese contraband trade of this description. Seeing that the Chinese Customs at Dairen are controlled by Japanese officials, it is obvious that, on the assumption that those officials are actually capable of such malpractices in the supposed interests of their compatriots, nothing could be simpler than to comply with all the outward forms of Customs procedure and still pass Japanese goods into the interior duty free. Actually the crux of the whole trouble is the refusal of the railway to allow the non-Japanese Chinese Customs officials to establish themselves at its railway stations for the purpose of subjecting to strict supervision all goods passing out from the leased territory. It is worthy of note that the Chinese Eastern Railway in North Manchuria raises no objection to an arrangement of this character on its lines, and what is good enough for the Russians in this regard ought to be good enough for the Japanese. Granting that the Japanese are honestly convinced that charges of smuggling are unfounded, they can have no sound reason for opposing the innovation at Pulantien, as suggested.

In a diplomatic sense, nevertheless, the situation is not at all simplified by the fact that not one of the Powers has so far had the temerity to prove the faith that is in it by openly accusing Japan of unrighteous

discrimination. On the contrary, America herself, the author of the latest neutralization proposal, the *raison d'être* of which would in part seem to be the elimination of the possibility of discrimination, has gratuitously and officially assured the world of her satisfied conviction that Japan is strictly observing all her pledges with regard to the open-door and equal opportunity in Manchuria. This being the case, Japan has every *diplomatic* right to insist upon the maintenance of the *status quo*.

On the subject of unfair discrimination generally in South Manchuria, it has to be noted that charges against the Japanese are no new thing; they sprang into being very soon after the war and the formation of the South Manchuria Railway Company. As far back as the beginning of 1907 a Tientsin German firm complained though the German Consulate that the South Manchuria Railway Company was charging higher freight to foreigners than authorized by the regulations. As an instance of what has been alleged, I will mention a typical case, as vouched for by the reputable correspondent of a leading English paper published at Tientsin. In July, 1907, a German firm desired to send arms and ammunition from Tientsin to Kwangchentzu. The shipment was duly brought to Newchwang, a distance of 384.5 miles, for $96.25. An attempt was then made to forward the goods north. The South Manchuria Railway officials in this instance, it is alleged, refused to deal direct, but referred the applicants to the transportation agencies. There are many of these companies operat-

ing more or less under the patronage of the railway. In some cases they are financed by Chinese, but as a rule the arrangements with the railway company are made by Japanese, directors or employees, as the case may be. The firm in question finally completed its negotiations through a Japanese transportation company. The distance from Newchwang to Meng-chiatun, where the goods were unloaded, is 283.5 miles. The firm was charged $982 for freight and commission by the transportation company, or over ten times the amount paid on the Chinese railway for carrying the goods one-third again as far. On investigation it was found that the agency with which the railway company's representative at Newchwang had obliged the firm to deal had received at least $298, the difference between $982 and $684, the charge for such a shipment of arms and ammunition. The freight from Europe had amounted to $380, or a little over half the railway charge from Newchwang to Kwangchentzu, and only one-third more than the amount received by the transportation company.

The report from which these facts are taken added: "Such figures are instructive, especially where, as in this instance, foreigners are almost invariably forced to deal with the transportation companies in order to secure accommodation, while Japanese firms, unless common report be untrue, are able to deal direct with the railway authorities. Aside from the railway charges, moreover, another fact should be noted in connection with this incident. There is much to prove that insinuations in this instance were, and in

others have been, advanced through the Japanese-edited Chinese Press and otherwise that foreign firms shipping arms and ammunition do so without 'huchaos,' or if they are provided with these documents that they exceed the limitations thereof. During the military occupation of Manchuria there were perhaps not unnaturally many cases of discrimination against foreigners. In one case at least efforts were even made to frighten a Chinese into cancelling a contract with a foreigner in order that he might buy arms from a Japanese. Those are, it is to be hoped, part of past history, but with the above facts before him it is difficult for the average person to believe that evil precedents have been entirely forgotten."

Another variation of the same class of complaint is that while the actual rates of freight from Dairen and Newchwang have been equalized, yet the railway company has encouraged a system of freight rebates graduating from three per cent. on shipments of goods to the value of Yen 100,000 up to seven per cent. on a value of Yen 500,000, of which Japanese merchants, by combining their shipments through the assistance of their guilds, are able to avail themselves, whereas the ordinary shipper, with whom such combination is not possible, is debarred. It is further alleged that another advantage enjoyed by Japanese shippers of cotton goods is through the operation of a syndicate formed by the spinning and weaving companies of Osaka, for the purpose of promoting and extending the market for their goods in Manchuria. It is

asserted that this syndicate not only enjoys special facilities in the shape of cheap finance through Government assistance, but is further favoured by the shipping companies in the matter of exceptionally cheap freights from Osaka to Dairen.

It will occur to many readers that, even admitting that the above contentions are well founded, it is a little unreasonable to abuse the Japanese because they are more alive to the truth of the adage that union is strength than their foreign rivals, and are thereby enabled to enjoy the benefit of this car-load lot arrangement, the operation of the said syndicate, and the advantages of "cheap finance." The case would be different if it could be shown that the railway had refused to grant these rebates to foreign shipments of similar volume; otherwise the gravamen of the charge can hardly be held to establish violation of the open-door and equal opportunity. The position would simply amount to this, that the opportunities are equal, but that the enterprise which dictates utilization thereof is very much the reverse. It may be argued that Japan is ignoring the teachings of John Stuart Mill and the Manchester school generally, but apart from this academic aspect of the case, she has as much right to promote what she conceives to be the best interests of her nationals against all others, by cheap finance and cheap freights, as she has to impose prohibitive duties for the exclusion of foreign imports from Japan Proper. I am not saying that she is acting wisely in so doing, but merely that the land of

a Dingley and McKinley and the protective West as a whole have no peculiar title to denounce Japan for such acts of discrimination.

As regards the charges against the South Manchuria Railway, it goes without saying that they have been strongly denied by that institution, whose Vice-President, Mr. Kumisawa, has emphatically declared that it would be impossible to manage the line with greater fairness or less recourse to favouritism, no matter who had control of the road. He insists, indeed, that if any partiality be shown, foreign importers are the greatest gainers, and that the Japanese themselves have on more than one occasion raised protests on the ground that undue facilities have been extended to their rivals.

One undoubted development of the economic situation in Manchuria is that a good deal of the initial prestige which attached to the Japanese and Japanese products in Chinese eyes after the war has now to a large extent disappeared. The inferiority of Japanese manufactures is too notorious to need emphasizing. In Japan Proper, as Japanese writers themselves admit, the term *Wa-sei* or *Nihon-deki* (Japanese-made) is almost a synonym for something second or third-rate, whereas when the enterprising shopkeeper wishes to recommend his wares, he points out that they are *hakurai-mono,* or imported. The Chinaman is not altogether a fool in commercial matters, and although at the outset he may have been suborned by the lower price, he has since had reason to readjust his views. In some cases, undoubtedly, he has been misled by

fraudulent imitations, bearing pirated trade-marks, in which line of activity the Japanese manufacturer is a past master. He is now beginning to distinguish the true from the false, the good from the bad, and the Japanese export trade to Manchuria, in the absence of a radical change of method, which is not impossible, is bound to suffer as a result. On the other hand, strenuously backed up as they are by the Japanese Government, in the form of the railway and the Yokohama Specie Bank, the Mitsuis and a few other big concerns are making truly Homeric efforts to get the entire export trade of Manchuria into their hands. During the bean season of 1909 it is a matter of commercial knowledge that they paid unheard-of prices for this product, in the effort to crush competition, since in view of the fall in the price of beans in Europe and the rise in the cost of freight, it is hardly possible that they could have reaped any profit. The only gainers at the time could have been the Chinese growers. That the Japanese regard this branch of the export trade as their peculiar field is borne out by the tone of the vernacular Press in its references to foreign competition, wherein the phrase "encroachment upon the Japanese sphere of influence" is not infrequently met with.

Extensive as are the facilities which the Yokohama Specie Bank grants to Japanese merchants, the latter are not yet satisfied, and for some time past have been agitating for the establishment of a special central Manchurian Bank to act as a financial organ for the promotion of Japanese interests. This project, however,

has not yet been sanctioned by the Government, and the opposition Press has not scrupled to assert that fear of American opinion in no small degree actuates the authorities in their attitude of hesitancy. Instead of establishing a new bank, the Government has proposed to augment the powers of the Specie Bank, and to extend the gold standard to Manchuria. The conditions under which advances may be made to the Japanese are to be more or less readjusted on the basis of the volume of business transacted annually by applicants.

It was erroneously stated at the time Mr. Cloud's unwelcome report was given out by the *New York Times* that this report contained references to loans at absurdly low rates of interest made to the Japanese by the Specie Bank and other banks in Manchuria. As a matter of fact, the Japanese have never made any attempt to deny that special facilities are extended to their compatriots in Manchuria, but it is contended that there is nothing in these but what is perfectly legitimate. Hitherto it is understood that the First Bank had advanced loans at four sen a day, while the Specie Bank has done so at a somewhat lower rate, but not less than three sen. So far from its being the case that the interest charged has been at all too low, —so runs the official explanation—the truth is that the Japanese in Manchuria are suffering from high interest and are in consequence attacking the business methods of the Specie Bank ; hence the agitation for a central Manchurian Bank to take the place of the latter. It is hoped, however, that with more compre-

hensive powers of supervision and control vested in the Dairen branch of the Specie Bank, including the privilege of issuing banknotes redeemable in gold, some improvement in the situation will hereafter be witnessed.

Undeniably the currency question in Manchuria is one calling imperatively for thorough reform. After the war, the war-notes issued by the Japanese Government were redeemed for the most part with the convertible notes of the Specie Bank, but these latter notes cannot be described as in any sense a successful currency medium. Not only are they almost useless a few miles south-west of Mukden, on the Peking-Mukden Railway, where they are accepted, if at all, only at an increasingly heavy discount, but even within the Three Eastern Provinces they are not by any means a universal tender. The Viceroy, for example, decided that taxes must not be paid in these notes, while in different localities different kinds of cash circulate at varying rates. In short, the currency question not infrequently makes travelling in China a perfect nightmare. On the Peking-Mukden Railway, for example, a Japanese gold yen is accepted as equivalent to the Mexican dollar, but the latter fetches no more than seventy sen at Dairen. The fact is that so many Chinese find it to their account to maintain this babel of currency, whose infinite fluctuations provide not a few with their chief source of income, that any effort on the part of the central authorities to introduce reform is opposed with that dogged tenacity of purpose which often distinguishes

the individual Chinaman when his personal business interests are at stake.

As one of the very latest examples of what the Japanese Government is doing to divert the current of trade from the Russian line to the South Manchurian section, I may cite the following, the absolute authenticity of which will appear from the context. Some time ago, a Russian paper issued at Harbin stated that the Japanese line had decided to advance loans up to 90 per cent. of the market price of grain sent southwards, and to furnish facilities for exporters from the place of production to Changchun, the northern terminus of the South Manchuria Railway. The Russian paper added: "Apparently much of the grain produced in districts between Harbin and Changchun goes southward for export, and the attempt of the Russian authorities to divert the trade to Vladivostok is being checkmated by the Japanese line in the manner described above." The foregoing paragraph was translated by *The Japan Chronicle* of Kobe, and in due course attracted the attention of the *Manshu Nichi-Nichi Shimbun*, a small sheet published at Dairen. This paper, which is virtually the organ of the railway, offered the following explanation: "The fact is that the South Manchuria Railway, in terms of the Revised Traffic Regulations which came into effect in October last, started to issue warrants against cereals received into its custody. The value of those warrants being beyond question, the Yokohama Specie Bank, for instance, has thought fit to advance loans up to 90 per cent. of the market price of the

goods on the security of those documents, to the great satisfaction of their holders. Again, the railway company offers to exporters at the terminal station of Changchun no other facilities than to take in for custody, free of charge, cereals intended for shipment. What is more, this facility dates from 1st November last, on which day the 'Regulations concerning Custody over Goods for Shipment' came into operation. These facilities are offered not only at Changchun, as implied in the above-mentioned article of our Kobe contemporary, or for the purposes of diverting trade, but also at any of the other stations along the line."

Commenting in turn upon this explanation, *The Japan Chronicle* shrewdly remarked: "The facilities mentioned may not be intended to divert trade from the Russian line, but it is evident that they are at least intended to attract goods to the South Manchuria Railway, and the distinction is somewhat narrow. It is very interesting to have this explanation, however, as the course adopted forms a remarkable innovation for a railway company. We think the South Manchuria Railway may be counted as the first railway line to issue warrants on goods in its possession which can be negotiated with a bank up to 90 per cent. of their market value. As the South Manchuria Railway is a semi-Government line, and the Yokohama Shokin Ginko a semi-Government bank, the action taken is another example of the participation of the Japanese Government, so far as Manchuria is concerned, in what in other cases is held to be private enterprise."

I regret that I cannot honestly say that the mass of Japanese in Manchuria are popular among other nationals. Of course I have no opportunity of making a house-to-house canvass for the purpose of drafting an absolutely exhaustive record of public opinion. Nevertheless during my visit I met quite a number of Englishmen, Americans and Germans, but in no single instance did I find one who had a good word to say for the rank and file of the Japanese. The conspicuous ability and progressiveness of the South Manchuria Railway administration were in every case freely admitted, but the country has unfortunately been flooded by the lower class elements, both male and female, and the consequence is that the word Japanese is not exactly one to conjure with in non-Japanese society. This is a fact recognized and regretted by the better-class Japanese themselves, and it is an open secret that the late Prince Ito went to Manchuria with the intention of looking into this question and devising a remedy, in addition to meeting the Russian Minister of Finance—a mission the tragic outcome of which is still fresh in the minds of men. The ubiquity of the Japanese lady of easy virtue certainly does a good deal of harm to the reputation of the country. Without the knowledge and tacit connivance of the central Government these women could never leave Japan and settle in Manchuria, so that for reasons of its own the Government prefers to wink at the abuse. Foreigners frankly assert that these women are in many cases secret agents who collect information in various ways, and that after following their unpleasant calling for a certain number

of years, they frequently marry either Japanese or Chinese and remain in the country, for it is a well-known fact that among the Japanese, women of this class do not excite the obloquy which is uncharitably meted out to them in the Christian Occident. I will take leave of this phase of the subject with the expression of a personal hope that with the lapse of years the situation will become naturally ameliorated. That the tendency is towards improvement is also admitted; the earlier influx of an impossible coolie class is being succeeded by agriculturists and merchants of somewhat superior character—a type of immigrant which the Government has made up its mind to encourage. Doubtless in the fulness of time the asperities and recriminations of to-day will appear very remote.

CHAPTER XVIII

THE AMERICAN ADVENT AND THE POWERS.

Mr. Secretary Knox's Proposal Staggers Japan—Recapitulation of its Main Features—A *Times'* Dispatch in this Context—Mr. Knox's Sources of Information Apparently Defective—Proposal Rejected by Japan and Russia with Unique Celerity—American Procedure Gives Umbrage—Ascription of Machiavellian Motives to the United States in Some Quarters—Contention that Refusal Was Anticipated and that the Proposal Was but a Means to an End—Count Komura's Statement in the Diet—Grounds of Refusal Briefly Set Forth—A Courageous Protest by Japanese Publicist—Japanese Government Accused of Indecent Haste and Rudeness towards America—Review of Japanese Press Comment—Widespread Indignation—Feeling towards America Undoubtedly Badly Affected as Result of Proposal—Social Amenities a Poor Criterion—Atlantic Fleet Visit a Case in Point—Reference to Russian Sentiment Pro and Con—The Russian Case Set Forth—The Proposed Trans-Mongolian Railway to Kiakhta—Russian and Japanese *Rapprochement* Helped by Knox Proposal—Both Powers Act Unitedly—Deductions from Japan's Rejection of Proposal—A Bit of Tokyo Gossip—The Policy of Imperialism—The Art of Killing Japan's Passport with the Powers—The Outlook.

THE likening of Mr. Secretary Knox's neutralization proposal to a thunderbolt out of a clear sky would be an inadequate simile, seeing that the Far Eastern empyrean has never been entirely cloudless since the Peace of Portsmouth. On the other hand, to say that, apart from the Government of Japan, which, it may be, had longer warning on this head than was supposed at the time, the Japanese as a people were fairly staggered by the American suggestion, would fall far short of exaggeration. Justly or unjustly, and conventional amenities and assurances to the contrary notwithstanding, it is unfortunately too true that this well-meant effort to solve a ticklish problem has left a bad

impression upon the public mind in Japan, the psychology of which I have attempted to examine further on.

For the sake of reference, some recapitulation of the main features of the proposal are given here. Although the Government of the United States seems to have approached the interested Powers during the latter part of December, 1909, the fact of the proposal was not publicly known in Japan before January 7th, 1910. Mr. Secretary Knox's idea in brief was that the entire Manchurian railway system, present and projected inclusive, should become the property of China, albeit under international control, the degree of influence in which for each Power was to be determined by the ratio of its participation in the loan which would be indispensable to China for the practical realization of this undertaking. In the event of its being found impossible to carry out this plan in its entirety, the United States Government is supposed to have proposed international participation in the financing of the Chinchow-Tsitsihar-Aigun Railway scheme at that time being negotiated by American and English capitalists, the former of whom were represented by Mr. Willard Straight, ex-Consul-General at Mukden. Should such an international syndicate be organized for the above purpose, the idea seems to have been that it should take upon itself the construction of all future railways in Manchuria, and the purchase of other existing lines which might fall into the market. As regards the neutralization proposal, however, the Powers invited to effect the

same were the United States, Japan, Russia, Germany, France, and England. In this context may be quoted an important dispatch which the Washington correspondent of *The Times* sent to his paper on the 6th January, 1910. It reads :—

"In the course of a statement made this afternoon relating to the United States proposal to the interested Powers for the neutralization of the railways in Manchuria, Mr. Knox said that the proposal disclosed the end to which American policy in the Far East has recently been directed. He remarks that the American Government during the recent railway loan negotiations pointed out to the interested Powers that the greatest danger to the policy of the open-door in China and the development of her foreign trade arose from disagreements among the great Western nations, and expressed the opinion that nothing would afford so impressive an object-lesson to China and the world as the spectacle of the four great capitalist nations—Great Britain, Germany, France, and the United States—standing together for equality of commercial opportunity.

"The American Government believed that one of the most effective steps to this end, in order to secure for China the enjoyment of all political rights in Manchuria and to promote the normal development of the Eastern provinces, was to take the Manchurian railroads out of Eastern politics and to place them under an economic and impartial administration by vesting in China herself the ownership of the railways. Such a policy would require the co-operation, not

only of China, but of Russia and Japan, both of whom it would enable to shift their onerous responsibilities in connection with those railways on to the shoulders of the combined Powers, including themselves, and would effect a complete commercial neutralization of Manchuria.

"Mr. Knox expresses gratification that the project has already received the approval in principle of the British Government. He says that he has reasons to believe that the plan ought to meet with like favour in Russia; that Germany and China cordially approve of it; and that, judging from press reports, Japan may also do so."

Irrespective of the intrinsic merits of the proposal, the principle of which must be pronounced unexceptionable, one can but marvel, in the light of the sequel, at the imperfect nature of Mr. Knox's sources of information on this head. The almost unique celerity with which both Japan and Russia made up their minds in the negative, and told America so, not only shows that Mr. Knox must have been strangely misinformed as to the disposition of the two Powers chiefly concerned, but in turn the reply found the United States Secretary so ill prepared for this *denouement* that he is reported to have expressed the keenest disappointment anent the same. In Japan, on the contrary, no single factor in the situation appears to have given greater umbrage than this very failure of the American State Department to feel the ice before attempting to cross the stream. In other words, even the most moderate and least jingoistic of

the Japanese newspapers accused America of improper procedure in neglecting first to sound Japan and Russia instead of submitting the proposal simultaneously to all the great Powers. This class of comment is certainly not bereft of justification on the only proper assumption that the United States acted in good faith when she formulated this plan. It is true that her aspersers in Japan have not hesitated to aver that she never really expected that the plan would prove acceptable to Japan or Russia, but that her ulterior design was to force, so to speak, the hands of both, and more especially that of Japan, and by involving these two Powers in the responsibility attendant on a clear negative extort a tacit avowal of their intentions towards the policy of the open-door and equal opportunity in Manchuria. Extremists on the one side may be pleased to think that the alleged trap has been successful, and that, so far from being a failure, American diplomacy has achieved the masterly end of aligning or grouping the Powers on the basis of the principle of commercial neutralization; and it goes without saying that the great burden of moral responsibility in this connection is cheerfully placed upon the broad shoulders of Japan, seeing that Russia's treatment of the proposal was necessarily contingent upon the tenor of Japan's reply to Mr. Knox. The moderates, on the other hand, prefer to think that American diplomacy is more obvious than this reading into it of Machiavellian maxims would have us suppose, and that Count Komura's dispatch, handed to Mr. O'Brien on the

21st January, 1910, carried with it for Mr. Knox honest disillusionment. On this assumption, therefore, it might have been a preferable course of action, as tending to husband the international fund of nervous energy, to test beforehand the sentiments of the two principals rather than run the risk of what many do not hesitate to designate a diplomatic fiasco.

On the 27th January, 1910, Count Komura, the Japanese Foreign Minister, appeared before the House of Representatives, to furnish the nation with the eagerly-anticipated explanation of the reasons assigned by the Government for its almost summary rejection of Secretary Knox's proposal. The occasion was a memorable one and the galleries were crowded with listeners, both Japanese and foreign. Never unnecessarily loquacious, and an avowed hater of the Fourth Estate, Count Komura was able to reduce his statement to very few words. In effect he said that the United States Government had lately proposed a scheme for the neutralization of the railways in Manchuria. The Imperial Government, in view of the fact that this proposal emanated from a friendly Power of such long-standing as the United States, as also of the important Japanese interests involved in the above province, had submitted the question to the most careful examination. While the Imperial Government was resolved to adhere to its avowed policy of upholding the principle of the open-door and equal opportunity in Manchuria, it had been forced to conclude that the realization of the proposal would inevitably entail radical changes in the condi-

SENATOR N. MALEWSKY-MALEWITCH,
Russian Ambassador to Japan.

tion of things in Manchuria, as established by the Treaties of Portsmouth and Peking, and would thus be attended by serious consequences. He further pointed out that in the region affected by the South Manchuria Railway, there had grown up numerous enterprises which had been promoted in the belief that the railway would remain in Japan's possession, and thus the Imperial Government could not, with a due sense of responsibility, agree to abandon the line in question. The Imperial Government, therefore, greatly to its regret, had been constrained to reply to the United States Government on the 21st January, 1910, announcing its inability to acquiesce in the proposal. "We trust," concluded Count Komura, "that the United States Government will appreciate our position and that the other Powers will equally recognize the justice of our attitude in the matter."

An almost sensational sequel to the Foreign Minister's somewhat commonplace utterance was supplied by Mr. Y. Ozaki, the Mayor of Tokyo and a member of the Lower House. Mr. Ozaki stands in the front rank of Japanese publicists and public servants, thanks to his great intellectual gifts and unblemished moral character. He it was, to whom reference is made in another chapter as having incurred undeserved odium because he indulged in the hypothesis of a Japanese Republic, merely for the sake of argument,—a hypothesis, nevertheless, which involved the reality of his resignation of a portfolio in the Cabinet of the day. Mr. Ozaki now rose to protest

against the indecent haste with which the Japanese Government had seen fit to reject the American proposal. He contended that, even though the proposal could not at present be accepted, it was at least worthy of close consideration and more lengthy dissection than the Government apparently had accorded it. He deemed it an unwise policy that would raise the smallest doubt of the friendship existing between America and Japan, and he declared that the best thought of Japan attributed to America nothing but the most sincere and amicable motives in offering this suggestion. It was the duty of the officials, the people, and the Press of Japan to prove to the Powers, and especially the United States, the sincerity of Japan and her wish to so carry herself as to escape the charge of not wishing for advice or assistance from the outside world. He charged the Government with being guilty of discourtesy to America and of having perpetrated a diplomatic blunder the consequences of which could not fail to be injurious to Japan.

Turning from the official version of the Japanese attitude, it will be more interesting and suggestive to summarize the observations attributed by the Press to prominent individuals, as also of the Press itself.

The Jingo frame of mind may be told in very few words. It was in effect that the Knox proposal was the outcome of the machinations of the Chinchow-Tsitsihar-Aigun Railway syndicate which, it was contended, in order to offset what at that time seem-

ed to be failure, had induced America to trample underfoot rights acquired by Japan at the cost of untold blood and treasure. This party accused the syndicate of circulating false rumours regarding Russo-Japanese relations, with a view to creating a pretext for interference. It was further alleged that, as the result of Prince Ito's mission to Harbin, Russia and Japan had exchanged notes at the close of 1909, in anticipation of the above contingency, wherein the two Powers discussed the question of opposition to the Chinchow-Aigun project and the operation of the Harbin-Changchun branch of the Chinese Eastern Railway as a joint undertaking, in order to frustrate outside interference.

One excited organ so far forgot itself as to dub America "black-hearted," and declared that her respective versions of the proposal, as presented to the Powers, were all different, that sent to Germany even raising the race question! Numerous uncomplimentary and disparaging epithets were freely bestowed upon Mr. Knox and his coadjutors, American officialdom being spoken of as "ignorant," "inexperienced," "naïve," and what not. Not a few of the better-class papers pointed out that the proposal carried with it the virtual implication that Japan and Russia were violating the principles of the open-door and equal opportunity, and that, if this were not the case, it should logically apply to all foreign railway, mining, and other enterprises in China. Some traced the proposal to President Taft's desire to win Chinese favour and foreign

sympathy in an effort to expel Japan from Manchuria, and on every side it was classed as wholly incompatible with the terms of the Portsmouth Treaty and the *entente* between America and Japan. America, it was pointed out, had quite gratuitously and formally announced only a short time before, through Mr. Knox himself, that she was perfectly satisfied with Japan's method of control in South Manchuria, and that there was nothing in the latest Sino-Japanese Agreement subversive of the said principle of the open-door and equal opportunity. Germany was in many quarters regarded as the *fons et origo mali* for trying, in conjunction with the United States, to monopolize economic benefits despite her own privileged position in Shantung.

No less a personage than Count Hayashi, a former Minister for Foreign Affairs, announced it as his opinion that nothing could be more unjust than a combination of Powers to apply to Manchuria a system from which the rest of China was exempt, and he even went the length of comparing the proposed intervention to the Three-Power Mandate of 1895, which was tantamont to a threat that, if Japan did not instantly yield, she would have to face a coalition of three great States.

One paper said America was trying to "befool" Japan, and instituted the elegant comparison of a "rogue who robs another while prating of humanity." "America," cried this paper, "has made no sacrifices, but none the less she seeks all the benefits. The brazenness of American officialdom is really amazing!

The proposal should be rejected instantly and a guarantee secured that henceforth she will refrain from meddling in Far Eastern matters."

Another paper thought that American diplomats had mooted the proposal in order to distract popular attention from their domestic failure. Ascribing part of the inspiration of this proposal to "anti-Japanese Consuls in Manchuria," the same paper expressed deep regret that incompetent officials should be appointed to hold such important positions. Mr. Taft was abused for changing Mr. Roosevelt's pacific policy into one nominally pacific, but in truth aggressive, as shown by the pressure brought to bear upon Central America. Doctor Terao, an eminent authority on International Law and the incumbent of a chair on this subject in the Imperial University, stated that the United States had definitely abandoned the Monroe doctrine and become a convert to the doctrines of Imperialism. Some Chauvinists insisted that the proposal was the outcome of Tang Shao-yi's visit to the United States, and that it was in no small measure engineered by Na-tung and the pro-American party at Peking, which hoped to oust Japan and Russia with the aid of American capital. In other quarters, the proposal was burlesqued by being accepted for purposes of argument, when the Powers were invited to consider the price both Japan and Russia would be likely to put upon their holdings in Manchuria. A certain parliamentary advocate of a spirited foreign policy modestly appraised Japan's share alone at not less than two thousand million yen, while even the most

conservative estimates of serious publicists did not fall below five hundred millions. Amid this thumping of the tom-tom, tooting of fog-horns, and raucous cries of wrath, the *Hochi* was heard sneering at American warships and American soldiers, and giving utterance to a conscientious doubt as to the ability of "guns red with rust" and "men devoid of discipline" to enforce the behest of the United States! Side by side with this ebullition at the expense of the United States, the "traditional friend of Japan," was witnessed a striking popular *rapprochement* with Russia, several papers asserting that the Knox proposal was to be welcomed because it had had the unrehearsed effect of drawing these two Powers more closely together.

These emphatic pronouncements may be said to represent the Jingo side of the argument, but it cannot be denied that the more respectable newspapers of the metropolis were scarcely less outspoken and denunciatory, though their annoyance was couched in language slightly more parliamentary. As an authority not likely to be accused of deliberately misrepresenting the vernacular Press in such a connection, I avail myself of *The Japan Mail's* very lucid summary of the consensus of opinion when the Memorandum was first made public. That paper writes: "All the Tokyo journals make the point that if this proposal be intended to secure the integrity of the Chinese Empire and to assist the Middle Kingdom in recovering its sovereign rights, then the scope of the problem should be extended so as to embrace German operations in Shantung, French operations in Yunnan,

English operations in Kowloon, and the joint operations of all the Western Powers in securing for themselves railway concessions in Chinese territory. If, on the other hand, the motive of the proposal is to be sought in solicitude for the maintenance of the open-door and equal-opportunity policy in Manchuria, it is necessary first to show that the reality of that policy is menaced, which assertion could not be proved—in Japan's case, at all events—for she is honestly endeavouring to give effect to the policy. There is also an almost unanimous expression of bewilderment as to the cause of Washington's sudden action in formulating such a drastic scheme. It has always to be remembered that the Portsmouth Treaty, which secured to Japan and to Russia the privileges they now enjoy in Manchuria, was approved by Occidental countries at the time of its conclusion and, above all, by the United States. It has also to be remembered that there exists between Japan and the United States an *entente*, signed less than two years ago, which guarantees the maintenance of the *status quo* in the Far East, and it has further to be remembered that similar *ententes*, recently negotiated, exist between this Empire and other States of the West. Why, then, such a sudden discovery on America's part that that status is a menace to the peace of the world? Japan's position in Manchuria, and Russia's position there also, have been asserted at an enormous outlay to both Powers in the form of men and money. How, then, are these two Powers to be bought out? Who is to assess the value of their properties and on what basis

is it to be calculated? Moreover, some journals make the point, not without relevance, that if the divided authority of Japan and Russia in Manchuria is objectionable, the same character applied with much greater force to Russian aggressions in that region when they constituted a practical monopoly. In fact, without entering into minute details, we gather from the editorial columns of our Tokyo contemporaries that the new proposal aims at discriminating in Japan's disfavour, and that it implies a distrust which her acts do not warrant."

The leading Tokyo papers published an apparently authentic interview with an anonymous military man, whose views are of considerable interest. He contended that the realization of the American proposal would involve the disturbance rather than the preservation of peace. "He asks the vital question," reports *The Japan Mail*, "*quis custodiet custodies?* Some Powers would have to assume the control of affairs, and thus the upshot would be the substitution of King Log for King Stork. In fact, the project is a lay figure of very ugly proportions, half concealed in transparent drapery. As for the railway question, the idea that by neutralizing the Chinese Eastern and South Manchuria Roads the possibility of military operations would be obviated—that is the notion of a tyro. Russia is busily engaged laying along the north of the Amur an iron road which, being entirely on her own territory, cannot fall within the purview of the neutralization scheme. This road would enable her to concentrate a big army in Eastern

Manchuria. On the other hand, Japan possesses the Korean system of railways, which would enable her to concentrate a military force on the Yalu and the Tumen. In fact, the effect of neutralizing the South Manchuria and the Chinese Eastern Railways would be very partial from a military point of view. If the idea be really to establish peace on a permanent foundation, then the only course is to remove all Russian troops and military apparatus from Vladivostok and the region on the west of it, and to do the same with Japanese forces and Japanese machinery of war north and east of Fusan. If such a drastic scheme could be carried out, the Japanese officer quoted, officer though he be, would strongly support it."

Baron Goto, formerly President of the South Manchuria Railway Company and at the time the proposal was mooted Japan's Minister of Communications, pointed out that several years before, a somewhat similar proposal had been put forward by the railway magnate, the late Mr. Harriman, and it was again urged upon Baron Goto when he became President of the South Manchuria Railway Company, the main argument of its advocates being that Japan would be financially embarrassed if she took hold of the Manchurian line. He had been greatly pressed by his American friends, but had insisted that his country was well able to support the burden of the responsibilities devolving upon it after the war.

The Japan Mail itself felt constrained to say that "this proposal from the Washington Government is likely to have a very injurious effect upon Japan's sentiment

towards the United States," and assuredly, if the duty of a publicist be to record the results of his own impressions, in addition to those of others, then I must frankly avow my personal belief that, despite conventional amenities embodied in the memorable entertainment of the Atlantic Squadron, the exchange of visits on the part of business men, and the well-worn, not to say threadbare, allusions to Commodore Perry and Japan's undying debt of gratitude to that great seaman and diplomatist for obliging her to open up at the muzzle of the gun, there is to-day a steadily swelling undercurrent of ill-feeling against the United States, the force and depth of which may be gauged not only by the diatribes of journalists, but perhaps even more correctly by the private conversations which one sometimes overhears in public places—in trains, tramcars, and restaurants. California's attitude on the school question, the anti-Japanese immigration agitation, the Crane incident, the Cloud incident, the Knox proposal, the Hayes Bill, the Bell, Shaw, and Schiff harangues—all these isolated irritants have had the cumulative effect of provoking the growing conviction that America is jealous of Japan's expansion and would fain apply the brakes at every turn to her economic and political progress. The comparatively more impulsive and obvious Occidental is apt to be unreasonably influenced by surface phenomena. His heart is often on his sleeve, and he falls into the error of supposing that others repose equal confidence in the pacific disposition and good intentions of their *vis-à-vis*. Thus the magnificent hospitality extended

by Japan to the American naval visitors in October, 1908, was, perhaps, accepted too readily at its face-value by Americans generally. It may seem ungracious to say a word which might be construed into disparagement of that remarkable display, or of the sincerity which inspired it, but some first-hand knowledge of Japanese character and customs forces me to say that a popular demonstration is more easily organized in Japan than elsewhere. Few nationalities are more prone to take advantage of every pretext for a holiday than the Japanese, or to fall in with the "humour" of the powers-that-be. The laws of hospitality, indeed, are often in danger of being overworked in Japan. A guest is a guest; a pageant is a pageant; and the presence of fifteen or sixteen first-class foreign battleships in Japanese waters is not so common a spectacle as to be accepted with sangfroid. From the standpoint of the mere man in the street, the invasion was good for business, and when actual inspection of Sperry's "white ships" satisfied the experts that they would have stood but a sporting chance of survival in an encounter with the Japanese Navy, additional cause was forthcoming for genuine *bonhomie* and complacency in relation to the nation's guests. The fact that thousands of school-children of both sexes had learned to cheer and sing "The Star-spangled Banner," "Hail Columbia," and what not, was merely proof of painstaking rehearsal and the natural docility and plasticity of the "young idea" in Japan. The same children would to-day, if so instructed, sing *Bozhe Tsarya Khranee*! ("God save the Tsar!") in honour of

Stolypin, Izvolsky, or Kokovtsoff, with equal unanimity and ostensible enthusiasm.

On the other hand, I invite the reader to consider the frame of mind betrayed in a conversation which I myself overheard in a Tokyo electric car on the occasion of this very American naval visit. A party of Japanese bluejackets had been detailed to escort a party of American bluejackets, and the two oddly-assorted nationalities were on their way to some popular resort at the time. The Americans were privately indulging in strong language because they could not amuse themselves in their own way without the embarrassment of individuals whom they characterized in terms which I need not repeat. The Japanese, on their side, were uttering a similar lament, until finally one stalwart observed: "Never mind! Some day we'll make them eat Shimose powder!" (*Shikata-ga-nai! Itsuka Shimose-Kwayaku kuwashite yaru zo!*) A trifle, it may be, but trifles are sometimes suggestive and pregnant with meaning. Nevertheless, when it comes to talking seriously of war between Japan and America, I rely less upon "traditional friendship" for the preservation of peace than upon self-interest. One simple little fact should suffice to falsify the elaborate and bellicose predictions of the prophets of woe. America is Japan's best customer. In 1907, for example, Japan exported in all commodities representing a value of Yen 422,412,875, of which the United States alone took Yen 131,101,015-worth. These figures are more eloquent and conclusive than pages of laboured demonstration. No doubt the spirit of the Japanese people as a whole is such that, should

the national prestige or what Japan regards as her vital interests be in any way menaced by American foreign policy, more especially in the Far East, the people and the Government would not hesitate to submit the issue to the arbitrament of the sword, regardless of the material sacrifices involved; but American diplomacy in the long run is too consistently one of amelioration to hold out ominous promise of any such disastrous contingency, in the absence of some conjunction of circumstances which it is at present difficult to foresee.

In Russia, East Siberia, and North Manchuria, opinion seems to have been divided on the attractions of the Knox proposal. In Siberia, Mr. Panoff of the *Dalny Vostok*, although in other respects a supporter of the Government régime, stuck honourably to his guns and advocated acceptance of the American plan, while at Harbin, the Russian population of which was necessarily most closely affected by the proposal, the *Novaya Zhizn* published an article warmly welcoming the same. After recapitulating those grounds for alarm which so many Russians profess to see in the Japanese attitude, this paper concluded: "If we have not the means to protect our coast and North Manchuria ourselves; if peace in the Far East depends on the point of the bayonet; if we do not really cherish any aggressive designs and ulterior motives; and if we are working for the maintenance of the *status quo*, it is clear that any proposal leading to the peaceful settlement of our manifest problems, can be and

should be received by us sympathetically. Besides their direct advantages, such proposals have for us also indirect advantages, because they release our energies and our forces, and enable us to transfer them to our fatherland and to the West. Russia, entering the proposed syndicate as the largest stockholder, will be assured of the safety of the capital she has spent in the construction of the railway and the development of the country. Financial control will be her prerogative, because she will be the largest contributor. The only thing we shall lose will be the chance of turning North Manchuria into a Russian province. The Chinese Far East will be converted into an open market for the nations of the world. Competition will become strictly economic. There will be no striving for political predominance, and the old fire which still smoulders will be extinguished for good at last."

Officially, however, Russia is no more disposed to commit the destinies of Vladivostok and the Maritime Province to the keeping of China and the capitalist Powers than to that of Japan herself, and therefore prefers to retain possession of the Chinese Eastern Railway at all events until such time as the Amur road is completed and in working order. Indeed the fact that from first to last the Foreign Offices of Tokyo and St. Petersburg were in the closest touch over the Knox proposal and acted in entire harmony, to the extent of submitting their replies almost simultaneously, is too palpable to call for further proof. In a purely political sense, the point cannot

well be gainsaid that Russia nowadays can better afford to offend Washington than Tokyo, if talk of offence be permissible in this context, but it would surely be deplorable if the betterment of Russo-Japanese relations had to be purchased at the cost of estrangement from America, and it is as yet premature to pronounce a definite opinion on this head. Time will show.

It should be noted, however, that the opposition expressed by the Russian Press, although in effect and with some Kadet exceptions, quite as uncompromising as that of the Japanese, was couched in infinitely more friendly terms. The arguments cited by the former as most cogent in their application to the American proposal may be summarized as follows: Russian organs emphasize in the first place the essentially political and imperial character and importance of the Chinese Eastern Railway in its capacity as the chief means of communication between Russian possessions in the Far East and the rest of the Empire, and as a vehicle for the supply of these possessions with Russian goods. In this sense the railway is an indissoluble link of the great Trans-Siberian trunk-road, of which nearly the whole of Western Europe avails itself in its dealings with the Far East. This understanding of the meaning of the line prompted the Russian Government in its willingness to expend huge sums of money by way of guarantee of the capital of the Chinese Eastern Railway, and in order to cover the deficits resulting from the operation of the line. Naturally, therefore, it cannot be a

matter of indifference to Russia who controls a route which possesses this importance—an international organ or a Russian joint-stock company which is obliged to establish tariffs and conditions for the carriage of freight in conformity with the wishes of the Imperial Government, and which, by virtue of the very terms of its concession, exists in the closest connection with the Russian imperial authorities. Furthermore, it must be borne in mind that when the Chinese Eastern Railway Company entered upon this tremendous undertaking, on conditions almost entirely unprecedented, it secured itself to some extent by specific rights and privileges from both the Chinese and Russian Governments for the whole term of the concession, *i. e.*, eighty years, albeit the Company agreed to forego these rights and privileges not earlier than thirty-six years from the inception of the enterprise should the Chinese Government wish to purchase the latter. Relying, therefore, upon these protracted terms, as precisely defined in the act of concession, the Chinese Eastern Railway Company acted accordingly, and to invite it at this date to forego these rights and privileges when the earlier of the above-named terms is still thirty years hence, impressed the Russian Government as a wholly unwarranted infringement of its interests.

It has, moreover, to be remembered that this Company, operating as it does in an environment comparatively destitute of Western civilization, has been compelled to carry out, at the cost of enormous capital, not only this colossal railway enterprise, but

also an entire series of auxiliary activities, and has in this manner given life and organization, as it were, to separate institutions more or less connected with the railway. Finally, thanks to the assurance afforded by the operations of the railway and in close touch therewith, there have grown up along the line various private undertakings in which no inconsiderable volume of capital has been invested. In fact, it would be almost impossible to describe in detail all the interests which are nowadays grouped about the Chinese Eastern Railway. On this ground alone, then, the Russian Government felt bound to assume a very cautious attitude towards any change of a state of affairs which must be regarded as responsible for the creation of the aforesaid interests. The Government was still further influenced in its decision by the consideration that these enterprises had only recently sustained a serious setback, owing to the war, and had not yet entirely recuperated therefrom.

On the other hand, when Russia came to weigh the American proposal in its purely financial aspects, as an undertaking in which Russian capital in some form or other would be extensively interested, she was forced to conclude that no sound guarantee of satisfactory economic results was in any sense forthcoming. On the contrary, it was feared that the participation of the representatives of various nationalities in the superintendence of this business would rather have the effect of weakening the sense of responsibility and consequently entail depreciation in the working of the railroad. In any case, the American proposal was

essentially experimental in character, and it was an experiment which had not only never been attempted anywhere in China, but one which offered no safe assurance that it could be made productive on the scale projected.

With respect to the alternative proposal concerning the Chinchow-Aigun Railway, Russia did not attempt to conceal her recognition of the fact that the consummation of such an undertaking was a matter of no light significance in her eyes. The realization of such a project would create a new route opening up access from the south not only to the Chinese Eastern Railway, but also direct to Russian territories near Aigun, on which consideration, indeed, the political and strategical importance of the project was conditional and dependent. What is more, the construction of the said railway must effect material changes in the service of the Chinese Eastern Railway as regards East Mongolia and North Manchuria. In order, therefore, to be in a position to weigh all these considerations and factors with the scrupulous care which their nature and the interests at stake necessitated, the Russian Government requested further data bearing upon the scope and object of the projected line. On grounds analogous to the foregoing, the Russian Government felt compelled to declare that, with reference to all future proposals for the financing of railway projects in Manchuria, it would have to be guided by the principle of examining every one of such projects in detail, both in conjunction with Russian political and strategical interests and the

GATEWAY OF GREAT WALL, NANKOW PASS.

TEMPLE OF HEAVEN, PEKING.

interests of the Chinese Eastern Railway, before defining its attitude towards any one of the lines which might hereafter be projected.*

Still more recently, as an alternative proposal to the Chinchow-Aigun line, Russia has suggested that the present Peking-Kalgan Railway should be extended to Kiakhta via Urga, to connect with the Trans-Baikal road. It is interesting to note that the idea of constructing this Trans-Mongolian line was first mooted by China several years ago, but realization of the plan was retarded by lack of the necessary capital. The length of the Kalgan-Kiakhta Railway would run to about a thousand miles, and the topographical conditions of the districts to be traversed are for the most part extremely difficult. Immediately beyond Kalgan the line would have to be tunneled through the Khingan range of mountains, whose peaks in this vicinity often reach a height of almost 5,500 feet. Thence the route would descend into the waterless desert of Gobi, which lies about three thousand feet lower than the Khingan mountains, after which it would ascend to Urga; beyond Urga a second tunnel

* Great Britain has already formally notified China that the latter will do well to take no definite action in the matter of the Chinchow-Aigun Railway project without in the first place ascertaining the views of Japan and Russia anent the same. In so doing Great Britain is living up to the letter and the spirit of her understanding with Russia, as represented in the exchange of notes which took place between the two Powers in 1899, whereby Great Britain engaged not to seek for her own account, or on behalf of British subjects or of others, any railway concessions to the north of the Great Wall of China, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the Russian Government. Russia, on her part, engaged not to seek for her own account, etc., etc., any railway concessions in the basin of the Yangtsze, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the British Government.

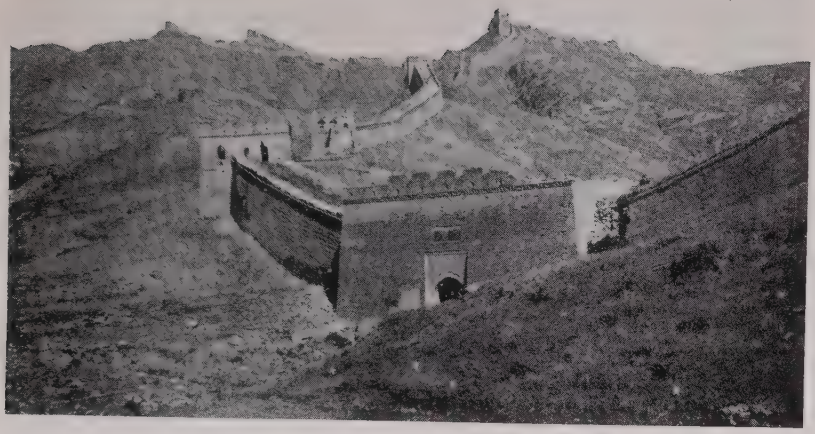
would be necessary through the Guntu chain, which also rises to an altitude exceeding five thousand feet. The cost of such a line would not be less than £10,000 per mile, on which basis the entire cost of construction, at the most conservative computation, would be in the neighbourhood of £10,000,000. In his note to China and the great Powers, M. Izvolsky kindly offers Russian co-operation in the acquisition of the huge sum required for the construction of the proposed Trans-Mongolian Railway. It goes without saying that foreign co-operation would be indispensable to China; otherwise it would be virtually impossible for her to secure the capital needed for so grandiose an enterprise, on the strength of an annual Budget which is as yet comparatively restricted. But private capital would scarcely be forthcoming in the absence of a Government guarantee of a certain amount of profit per mile, and it would undoubtedly prove highly burdensome for the Chinese Exchequer to have to pay out a large sum annually for the above purpose. The Mongolian line would for the greater part of the route pass through an uninhabited region, while the total population of the projected railway zone as a whole is not much more than five hundred thousand. As pointed out by a Russian writer in the *Russkoe Slovo*, it is only at the southern extremity of the line, about a hundred miles from Kalgan, that there are lands and a population adapted to agriculture. Perhaps in the future it may be possible to effect agricultural colonization of the localities north of Urga, which are contiguous to the Russian frontier, viz., the valleys of the Orkhon and

its tributaries, but there are too few strips suitable for this class of development to ensure the animation of the entire trunk-line. In contradistinction to the projected Chinchow-Aigun Railway, which would open up districts which have long been settled with a farming population, the volume of freight and passenger traffic on the Mongolian line would be comparatively contemptible. From a commercial standpoint the railway would rank as a transit route between the Trans-Baikal and North China.

It is true that in comparison with the existing circuitous railway communication between Irkutsk and Peking, via Harbin and Mukden, the new Mongolian line would reduce the distance by more than eight hundred miles, and that, in comparison with the Anglo-American project in the direction of Tsitsihar and Hsinmintun, the distance from Peking to Irkutsk would be about six hundred miles less. Undoubtedly, too, with the construction of the Kalgan-Kiakhta Railway, Russia's entire commercial turnover with the northern provinces of China would proceed by this route. On the other hand, this turnover is not so considerable as to furnish satisfactory assurance that transit freight alone would make the railway a paying concern. The only constant freight upon which the line might rely with confidence is tea, but tea alone could not transform the railway into a profit-earning undertaking, especially at a time when Ceylon tea is gradually beginning to oust the Chinese product from the Russian market. Nor must it be forgotten, from the Russian standpoint, that the

diversion of tea to the Kalgan-Kiakhta Railway would deprive the Volunteer Fleet and the Chinese Eastern Railway of this valuable freight. In short, there is very little foundation for the hope that Russian goods would be in a position to conquer the Chinese market by means of the new Mongolian road. Moscow in a commercial sense would still remain more remote from China than are Japan, Great Britain, and the United States, who have at their disposal cheap and convenient ocean routes to the ports of the Middle Kingdom. In the opinion of the writer quoted above, the melancholy fate of Russian trade in Manchuria, which since the construction of the Chinese Eastern Railway has not been able to resist Japanese, English, and American competition, clearly points to the possibility of the loss of the Mongolian market by Russia should the Kalgan line give her economic rivals free access thereto.

From a strategical standpoint the new Mongolian road, in the event of war with Japan, would not confer exclusive advantage upon Russia; it would be too far away from the probable scene of hostilities. Theoretically, however, the position of China would be materially improved, should she become involved in war with Russia, since with the construction of a line of rails from Peking direct to Kiakhta she would be able to advance upon the Trans-Baikal from two sides simultaneously—from the south and east—this, of course, after she had succeeded in driving beyond the Amur the Russian troops in the Priamur region! Conversely, however, the Mongolian road would open



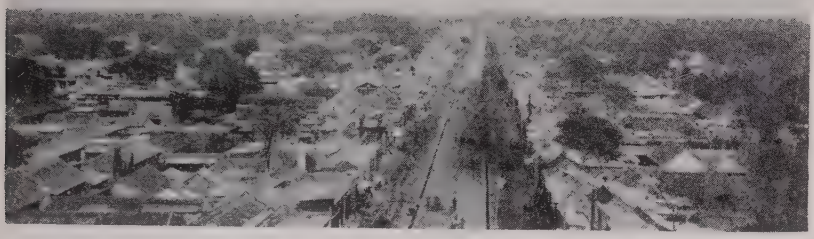
PORTION OF GREAT WALL, NANKOW PASS.

VIEW OF NANKOW PASS FROM GREAT WALL.

up for a Russian army a direct route to the Chinese capital, so that the above consideration cuts both ways. Unless, therefore, the Russians are prepared to admit that their military resources and spirit are inferior to those of China, the balance of strategical advantage in relation to the Middle Kingdom ought to be on the side of Russia. On the other hand, should an allied Chinese and Japanese army simultaneously beset Russia, then the position of her troops in Manchuria, exposed to the peril of being outflanked from the rear by the enemy, would be decidedly unenviable. The allies, operating with Peking as their base, would divert to the shore of the Orkhon several hundred thousand Russian troops who might otherwise have been far more useful at Harbin. It assuredly does not seem desirable, in Russian interests, in the light of the Manchurian experience, that a new sphere of political influence should be gratuitously called into being—a sphere which in the long run it would be necessary to defend by force of arms. Russian critics of the Mongolian Railway scheme find it strange that while, on the one hand, Russians should rave about the Chinese peril, they should be ready and eager, on the other, to press money upon China and in every way possible lend themselves to the economic resurrection of the Celestial Empire. This proffer of services comes too at a time when the Manchurian Taotais are behaving in the most high-handed manner, and are treating the Russians in the railway zone and on the Sungari like subjects of the Emperor of China. Nay, it is quite on the cards that they are construing

the latest proposal to the masses as Russian payment of tribute to the Son of Heaven! In the interim, while Russia would fain loan millions to China for the opening-up of Chinese territory, at home she leaves without railway facilities vast and wealthy and comparatively well-settled regions such as Altai, Semiryechie, and the entire southern stretch of steppe in West Siberia. Truly the doctrine of Imperialism assumes fantastic guises!

As regards China, her rôle in the drama has been, as usual, decidedly nebulous. It is impossible to believe all one reads in the newspapers, and the effort of the Japanese Press to make out that the Wai-wu-pu later repented of its haste in accepting the Knox Memorandum may have no justification in fact, though it would not be unnatural that, on second thoughts, China should have qualms as to the advisability of saddling herself with the enormous financial obligations which practical realization of the proposal would involve. It has to be remembered that, under the treaties between China and Russia and Japan, as pointed out above, the two latter Powers are pledged to surrender the Chinese Eastern and South Manchuria Railways after a term of years, and though sceptics will regard such a turn of affairs as in the highest degree problematical, still China may prefer this possibility to the certainty of a sort of international guardianship for an indefinite period. It must be admitted that the unedifying spectacle of international wrangling over the Yeh-Han and Canton-Szechuan Railway projects did not give much promise for the neutralization proposal, nor were the



VIEW OF PEKING FROM DRUM TOWER

PEKING RAILWAY STATION.

Japanese slow to make use of this weapon in their vigorous and effective onslaught upon the latter.

What, then, may we deduce from Japan's rejection of the proposal? Without involving in the answer ascription of sinister motives to that Power, we may with safety assert that, like every other Power, past, present, and future, she has instinctively resolved to retain the concrete means of expansion along lines of least resistance, as Mr. Panoff says of Russia's conquest of Siberia. As such necessities are measured politically and not ethically or altruistically, expansion has undoubtedly become a necessity for Japan with her growing population of nearly fifty millions. It is only fair to remind the United States that, side by side with professions of perfect friendship, she has closed the door to Japanese immigration on the Pacific Coast of her territories, thus intensifying the urgent need of outlets for Japan's human surplus in some other direction. No responsible Japanese statesman would openly admit that his country is bent upon the development of a continental empire, but if we refuse to be hoodwinked by mere terminology, and insist upon scrutinizing practice, not professions, we must eventually recognize that Japan's line of least resistance is Korea and South Manchuria. Whether or not expansion in those directions is compatible with the recent phenomenon of "rights recovery" in China is another question which need not be discussed here; in this immediate context the Japanese point of view is all-important. In an absolute, as opposed to a relative, sense, those very Powers which are not wil-

ling to welcome Japanese immigration to themselves are morally responsible for a state of affairs in which Japan must extort an unwilling welcome of that immigration from others. As indicative of the widespread belief that Japan must retain at all costs the physical advantages which possession of the chief means of communication now bestows upon her, I will here repeat a story which has found credence in some quarters with reference to the allegation of impropriety advanced against Mr. Secretary Knox for his failure to sound Japan and Russia prior to the circulation of his Memorandum among the chief Powers. It has been privately stated in Tokyo journalistic circles, and in other places for aught I know to the contrary, that the so-called simultaneous communication addressed by the United States to all the Powers was, as a matter of fact, merely what may be called a "feeler,'" and as such was never intended for publication until such time as the sentiments of Japan and Russia had been ascertained. In other words, the idea is said to have been simply to let the suggestion drop in the event of its encountering uncompromising Russian and Japanese hostility. On the other hand, the train of thought attributed to Japan, more especially, is as follows. She is represented as fearing that, with this suggestion before them, the other Powers might readily be tempted to regard Japanese procedure in Manchuria from a standpoint less inspired than formerly by sentiments of Christian resignation, and, so it is argued, with the American proposal left to germinate in their brains, there would have

been bred an inclination to pay ever more and more attention to foreign complaints of Japanese infringements of the open-door and equal-opportunity principles in Manchuria until, in the end, the Powers might have returned to the Knox proposal as the only practical and logical means of applying the axe to the root of the difficulty. Then, fortified with this overwhelming consensus of world opinion in favour of the proposal, America might have been led to resuscitate it in some new form, the moral backing of the Powers enabling her to ignore the point of procedure, with the violation of which she is now reproached, or on the other hand, to make the proposal public in spite of Japanese and Russian opposition. Reasoning thus, the story goes, Japan, acting in collusion with Russia, arranged matters so that the news was allowed to leak out at St. Petersburg in the first place, with the result that it could no longer be kept secret in Japan. The Japanese Government had no difficulty in forecasting the furore of indignation which the proposal would excite in that country; *via-à-vis* the United States, her attitude would be that the premature disclosure of the plan had forced her hand and compelled her, in deference to the feeling of the entire nation, to reject it a good deal sooner than would otherwise have been the case.

This story is probably only apocryphal, and it could never be proved without an indiscretion on the part of some Japanese, Russian, or American diplomat. Nevertheless it serves to illustrate the tacit admission that Japan has committed herself to acceptance of

Imperialism, with all that the word implies. Like Russia, it is natural that she should prefer to get what she wants without fighting for it, and there are probably bounds to her territorial ambitions, but she is evidently resolved upon retention of potential capacity for effective resistance should a writ of eviction at any future date be served upon her. In this frame of mind I myself must honestly pronounce her as good a Christian as the rest of her contemporaries, who have gone out of their way to convince her that the sole passport to inclusion among the circles of the elect, *i.e.*, the great Powers, is the ability to kill just a little bit more effectively than the other fellow. Only by furnishing proof of this ability did Japan succeed in confirming her position; *ergo*, every factor which tends to strengthen that ability must seem to her desirable. All the rest follows of necessity.

The question now is, Will the United States remain content to accept "no" for an answer, or will the famous Knox proposal, after a brief sojourn on the astral plane, enjoy future re-incarnation? Of one thing at least we may be certain, viz., that war or no war, it is idle to dream of *peace* in the Far East.

CHAPTER XIX

JAPAN IN KOREA.

Japan the *De Facto* Ruler of the Peninsula—There to Stay—Protest against Methods by Which Dictatorship Has Been Acquired—The Assassination of Prince Ito Symptomatic—Korean Hatred of the Japanese Not Accidental but Due to Concrete Causes—Arm-chair Judgments—The Value of Evidence—The Cult of Assassination Not Unknown in Japan Proper—Mr. McKenzie's First-hand Investigations—The Outcry against Critics of Japanese Methods in Korea—A Poor Plea for the Quality of Japanese Statesmanship—Misrepresentation of Motives—The Libel on Professor Hulbert and Dr. Underwood in Connection with Prince Ito's Assassination—Statement of the Facts—The Picture Two-sided—Military and Civil Arms Not Always in Harmony—The Massacre of Il-chin-hoi Members by Mistake—Viscount Sone's Comment on the Situation and the Amalgamation Proposals—Military Government Cannot Be Lasting—Some Useful Japanese Reforms—Korean and Japanese Prisons—A Case in Point at Pingyang—Unconscious Cruelty—The New Japanese Courts—Japanese Hospitals—Railway Construction—The New Port of Chhyongjin—The Northern Fortifications—Japanese Population and Property in Peninsula.

I THINK we may safely advance two postulates in regard to Japan and Korea, viz., that Japan is the *de facto* ruler of the peninsula and that she intends to remain so. A postulate does not really call for demonstration, but I may later have occasion to violate the laws of logic by citing a few particulars in support of my generals. I have no intention of harking back to ancient history, nor does it seem to me profitable at this date to denounce Japan for having done what virtually every "civilized" Power of the West apparently takes a pride in doing right down to the annexation of Bosnia and Herzogovina by Austria. Nominally Japan has not yet annexed Korea, but no

man who knows the facts and has visited Korea is under the faintest illusion as to the quality of Japanese relations towards the country, the people, or their so-called Emperor. Against the methods by which this virtual dictatorship has been achieved I would merely record my personal protest, not because the offender is Japan and the *corpus vile* Korea, but wholly in conformity with a view of international obligations, not even independently of considerations of expediency, which would be equally operative were the chief actors very much nearer home. I need not tell the story of how the Treaties of 1905 and 1907 were concluded; those interested in such details cannot do better than turn to Mr. F. A. McKenzie's admirable volume, *The Tragedy of Korea*, where the entire sordid history is recounted with strict observance of facts and with obvious and natural sympathy with the Koreans, the "under dog." The late Prince Ito played a leading rôle in those stirring events and has since paid the penalty with his life. The natural feeling among countless admirers of the victim's great personality and splendid career is one of unmeasured loathing for the crime and the criminal, but the cool-headed and impartial onlooker will refrain from empty words of denunciation of a deed which, in a subjective sense, may have been inspired by the most disinterested motives and misguided patriotism. Assuredly it is not for the Japanese to sit in moral judgment upon a method of expressing dissent and redressing national wrongs which has been held glorious and worthy of eternal commemoration in their own

history, and which has been more than once invoked in our own day. Nor are the cheap platitudes of Dr. Ladd on the subject of "corporate responsibility" calculated to effect any true amelioration. The assassinations of Durham White Stevens and Prince Ito were not accidents. If the Koreans hate the Japanese the Japanese must have done something to provoke that hatred, just as the English in the past did many things to provoke the hatred of the Irish; just as Russia, Germany, and Austria have done many things to provoke the hatred of the Poles; and so on from the earliest "syllable of recorded time." Both Stevens and Ito were slain because, from the Korean standpoint, they were the concrete embodiments of a detested régime. The rigid disinterestedness and profundity of political vision which are so easily and comfortably cultivated in an arm-chair within close range of a patent reading lamp find it easy to point out the fatal error of these appeals to violence. Censure, however, should not be one-sided. If Japanese claims to superiority over the Koreans are to be allowed, in precisely the same measure must the burden of Japan's moral responsibility be heightened and the severity of any analysis of Korean reprisals modified. There is no necessity for making present criticism retrospective; I will not even say hard things about Japan for having seized Korea; but I contend that contemporary acts of injustice, of coercion, and of despotism which, in the opinion of the publicist, are gratuitous and in no wise essential to the attainment of the avowed aims of the invaders

are in every sense fair subjects of the frankest criticism.

As regards the value of evidence, I have no doubt that both the "pro-Korean" and "pro-Japanese" sides are far from infallible, and that misrepresentations, both deliberate and unintentional, frequently occur. At the same time I feel bound to join issue with the contention of the former partisans, which appears to hold that the only sort of evidence of any real value in this context must emanate from the Residency-General. On its face such a contention is in the highest degree absurd. In the name of common sense, what sort of evidence does the judge expect to get from defendant's or plaintiff's counsel and witnesses? The investigator who goes to Korea is really more advantageously placed than the average judge since he is then in a position to make direct observations of what is actually taking place around him. Such an observer hardly needs to climb up the hill to the Residency-General to interview officials who probably know very little more than their subordinates choose to report to them. In the case of Viscount Sone, for example, the Japanese papers themselves were never tired of pointing out that, owing to the seclusion in which he lived, he was one of the last to hear of the great "amalgamation" movement. Mr. McKenzie was perhaps the only foreigner, outside the ranks of the missionaries, who ever took the trouble to elude the vigilance of the Japanese, escape from Seoul into the interior, and there see with his own

VISCOUNT SONE, RESIDENT-GENERAL OF KOREA.

eyes what the Japanese soldiery really were doing. And yet when men of this kind, who write of things which have come within the scope of personal observation and inquiry, have the presumption to tell the world that all is not well with Korea, and that the Japanese cannot be acquitted of guilt in this context, grave pundits in Tokyo, London, and New York solemnly reprove them for believing their own senses in preference to the official returns of the Residency-General! It is a poor joke at best. Nor is it the symptom of a powerful cause that the failure of the Japanese authorities to "pacify" the interior is ascribed to "anti-Japanese" writers like Mr. McKenzie, Professor Hulbert, and the late Mr. Ernest T. Bethell. There is such a thing as the sense of proportion, and if the quality of Japanese statesmanship, which is so frequently vaunted by its admirers, is not proof against the personal opinions of a handful of foreign journalists, then one is tempted to retort that this statesmanship must have been sadly overrated. The suggestion that the insurgents, who have been slaughtered in thousands by well-armed Japanese troops, are stimulated to hold out against such odds because the defunct *Korea Daily News*, the *London Daily Mail*, the *Japan Chronicle*, and other English and American organs give publicity to disparaging statements about the Japanese, is too monstrous and pathetically foolish for serious refutation. It is in itself tantamount to an admission of failure. Equally disreputable are the tactics which can find no better system of defence than

to misrepresent the motives of the critic. Unfortunately the inability to credit an opponent with any other than evil intentions would appear to be incorrigible among a certain class of Japanese journalists. I could supply a number of instances, but one of the more notorious must suffice. Professor Hulbert is among the ablest of Korean scholars. He has lived in the country upwards of twenty years and during that time has learned to know and like the people. He is the author of a standard work on Korea, and is known to his friends to be in every respect an upright and honourable man. What is even more significant, during the war and for a short interval after it, he was profoundly pro-Japanese. His love for the country and people had in no degree blinded him to their shortcomings or to the fact that the ruling caste was rotting away at the top. He sincerely believed that the Japanese victory over Russia and Japanese co-operation in Korea would be for the good of the country, and he was not afraid to avow his views in the columns of his paper, *The Korea Review*, even at the risk of alienating some of his friends who considered that he was taking too extreme a stand in this matter. What factors have since operated to make him change these convictions? A plain, straightforward observer, free from prejudice either way, familiar with the character of the man and his writings, would naturally say that some external, subjective cause must be responsible for this subjective change. The Japanese explanation is that vulgar greed and love of intrigue lie at the root of his hostility to the Japanese régime, the implication

being that he has been and is in receipt of large sums from the ex-Emperor both for himself and the promotion of an agitation in favour of Korean independence. For some mysterious reason Professor Hulbert has been abused not only by Japanese but by a minority of foreigners because on the eve of the tragedy of 1905 he hastened to Washington in order to remind the Executive that the United States was a party to a Treaty with Korea whereby she had pledged herself to exert her good offices in the event of unjust or oppressive dealing on the side of any other Power. It is a matter of history that Professor Hulbert was not allowed to present his petition or representation until the Japan-Korean Treaty of 1905 had become an accomplished fact. But one may well ask: In what respect was Professor Hulbert's action in this affair reprehensible? Seeing Korean independence threatened, he had surely as good a right to make one peaceful and legal effort to avert such a calamity as a man like the late Mr. Stevens had to accept a salary from the Korean Treasury in the ostensible capacity of adviser to the Korean Government, while in reality working all the time under Japanese instructions. And if the Emperor of Korea chose to finance such an undertaking, I can see no normal obliquity either on the part of the Emperor or on that of Professor Hulbert, on the pure assumption that the latter actually was in receipt of funds of this nature. Another dreadful crime attributed to Professor Hulbert is that he engineered the famous deputation to The Hague Conference in 1907. Professor Hulbert has himself always

denied any connection with this undertaking, though here again, it is hard for the average person to detect the sinfulness of every *pacific* attempt to draw the world's attention to the wrongs of Korea; I italicise the word pacific because any armed appeal would merely imply useless bloodshed, whereas verbal measures at least serve to prevent the world from forgetting that the Koreans are not yet absolutely contented under Japanese rule. To deny this right is to deny everything expressive of any form of volition and initiative more highly articulated than that of an ameba or a jelly-fish. Throw a man into the middle of the Pacific Ocean and he will struggle to keep on the surface as long as possible, even though common sense may assure him that he is simply wasting his energies. He prefers to take a thousand or even a million to one chance of rescue at the last moment, and most people would say that he is right.

So inveterate is this prejudice against an opponent that soon after the assassination of Prince Ito at Harbin, a well-known newspaper of Osaka, the *Osaka Asahi*, came out with the statement that Professor Hulbert and Dr. Underwood, an American missionary in Korea, were privy to the crime! In much the same way, Japanese and a few foreign friends of the later Mr. Stevens, while failing to be quite specific, threw out broad hints that Professor Hulbert must be held morally responsible for that startling incident. These methods of controversy, in conjunction with a system of official espionage to which Professor Hulbert was

subjected throughout his visit to Korea in 1909, are certainly not likely to enhance the popularity of Japan's cause in the eyes of the outside world. They at least encourage the apprehension that, should extra-territoriality be abolished in Korea with the annexation of the country by Japan, the position of the foreign resident might be rendered almost untenable save at the price of mute and slavish acquiescence in every form of petty tyranny.

At the same time, it would be a serious error to suppose that there is only one side to the picture and that the dark one. The motives which lie behind Japan's administration are unquestionably mixed, as are most human motives. The idea that the deliberate and ruthless exploitation of Korea and the Koreans is a canon of Japanese policy is doubtless no more true than the idea that this policy is animated solely by a desire to benefit the Koreans. Not all Japanese officials are of the calibre of the late Prince Ito, Viscount Sone, or Mr. Nabeshima, and when the keen olfactory sense of the hereditary *kwanin-sama* and *chinovnik* detected the presence of fair game in the shape of new offices, it stands to reason that there ensued a somewhat undignified scramble to get the brush. But the ultimate oligarchy which rules Japan knows full well that a permanently disaffected Korea would be a source of weakness rather than of strength or profit to Japan, as a disaffected Ireland, India, or Egypt must be to Great Britain. Much of the trouble seems to have its source in the conflict of authority which undoubtedly exists between the civil and

military arms. The "martial spirit" is nowhere more highly developed than among Japanese military men; it is their business to fight, and without an occasional appeal to lethal weapons Othello's occupation would be gone. There is thus nothing astonishing in the fact that in a country like Korea, when they are sent out to attack insurgents, they are apt at times to interpret the terms of their commission more liberally than otherwise, with the result that gross injustices are not infrequently perpetrated, as when some time ago thirty or forty members of the Il-chin-hoi, the pro-Japanese Korean party, were massacred in cold blood by Japanese troops under the impression that they were insurgents. It is probable that the facts in this instance would never have come to light had the victims been ordinary insurgents or even ordinary Korean farmers, but naturally the Il-chin-hoi found it rather hard to meet with such a reward for their unpopular exertions in the cause of the Japanese, and quite an outcry was raised by the relatives and friends of the deceased, which compelled the Residency-General to give compensation to these worthies. Nor can it be doubted that the policy of Prince Ito often ran counter to that of General Hasegawa, who would fain have been left with a free hand to carry out the task of "pacification" in his own way. The military party wields enormous influence in both Japan Proper and Korea and has a characteristic habit of resenting the pretensions of the purely civil power, but it would be a mistake to suppose that every Japanese welcomes this retrogressive tendency.

In this very context it is gratifying to find a man like Viscount Sone, Prince Ito's successor in Korea, emphatically opposing the doctrines of this cult of physical force. "I regret," he said, "that a section of opinionated men in Japan seem to think it necessary to place Korea under military government. Military government may under certain circumstances be accepted as a temporary form of administration, but that it cannot be tolerated as a permanent institution goes without saying. Suppression by force may succeed as long as force is maintained, but once it is slackened or withdrawn, there will be revolt immediately. That is to say, unless the heart is won, the enemy in your embrace will always be your enemy, and once an emergency occurs, the cat will be out scratching. Such a policy cannot be in the real interest of Japan; nor could it be one to be followed permanently. In governing Korea one should fully appreciate the difficulty of the work, which is heightened by sentimentalities concerning the histories of the two countries, and it must not be expected that the task can be completed in three or five years. Many Japanese say that the decadence of Korea is the result of maladministration in the past. But the Koreans remember the Taiko expedition, and would claim that the decline of their country dates from that event. It is no easy job to rid the Koreans of that idea. To make them forget their old grudges and become hearty believers in Japan's good intentions is, therefore, a work that calls for many years to be accomplished. The only way to attain such an end

is to move them and win over their hearts by good and benevolent government."

These words are not those of a man who views his responsibilities lightly, but the Japanese understrapper is not always of quite the same quality as his chiefs, and the masses of low-class Japanese who have flooded certain parts of the country, even as they have flooded certain parts of South Manchuria, have still further intensified the difficulty of the problem in statesmanship which force of circumstances has entailed upon Japan. A tyro in the art of colonial government—Korea being virtually a colony of Japan—she committed a series of blunders at the outset which quite properly evoked indignation among those who were in a position to know the facts, and among none more so than the foreign residents of Korea, who have been eye-witnesses of the extremes to which licensed brutality can go. While expediency—as the term is understood in politics—and not altruism guides the counsels of the States, there is nothing surprising in the circumstance that Japan should look to Korea as to a source of concrete advantage to herself, and that schemes like the Oriental Development Company should be formed with the object of exploiting the resources of the peninsula in the full assurance that Japanese authority will in the final resort be predominant. Hence the provision in this particular scheme whereby two-thirds of the Board of Directors must be Japanese. On the other hand, even the Koreans themselves realize that the advent of Japan in Korea has not been an unmixed evil. In the matter

of the currency, for example, the masses of the people recognize that Japanese money is legal tender and that the notes of the First Bank, whose place is now taken by the newly-established Bank of Korea, are just as good as, and far less bulky than, Korean nickels. The violent fluctuations which formerly made the medium of currency an unknown quantity have virtually ceased, and whatever form Japanese oppression may take, it is at least accompanied by the assurance that the average Korean will not be openly robbed of his legitimate earnings. Sharp practice has undoubtedly been resorted to in the expropriation of large areas of land for "military purposes," but it is to be hoped there are bounds to the apparently insatiable appetite and rapacity of the succubus which the makers of New Japan have so sedulously bred, and which is trying its best to drain the life-blood not only of Korea but of the mother country as well. Korea has had and has still her own special succubi, without doubt, but the Korean is by no means singular in that he would prefer to be badly ruled by his compatriots than less badly ruled by outsiders. When, for example, one comes to compare the two methods of police administration one finds this point very clearly illustrated. In the spring of 1908, for example, when the late Mr. Ernest T. Bethell, editor and proprietor of the *Korea Daily News* and the *Dai Han Mai-il Shimpo*, was tried summarily under Order-in-Council of 1907 by Mr. Justice Bourne of Shanghai, on the charge of printing and publishing seditious matter

calculated to excite tumult and disorder or to excite enmity between the Government of Korea and its subjects, several witnesses were called for the defence and testified to brutal treatment at the hands of the Japanese police. The Crown Prosecutor, in cross-examination, laboured to show that under a purely Korean régime corporal punishment took place as a matter of course, and the fact is plain enough. The reasons why, in the mind of the average Korean, corporal punishment, never exactly popular, should arouse less antipathy when administered by his own countrymen than by Japanese, are so obvious that I will not insult the reader's intelligence by specifying them.

Again, the Japanese administration is making efforts to improve the prison system. The old Korean prisons are too awful for description, but until they can be replaced by more modern and sanitary establishments, the Japanese have no alternative other than to make use of what is ready to their hand.

A good beginning has none the less been made. Although, no doubt, the report of the Residency-General on this subject is in some places a rather highly-coloured *ex parte* statement, there is ample evidence to prove that, however defective Japanese justice may be, it could hardly be worse than the Korean variety. To quote the Residency-General's report: "The Penal Code is full of directions for administering floggings, which were often so severe as to render the victim a cripple for life, if he did not die under the infliction. Major offences, even robbery, are for the most part regarded as punishable by death,

INDEPENDENCE GATE, SEOUL.

QUEEN'S TOMB NEAR SEOUL.

and although capital punishment, which formerly meant decapitation, has recently been replaced by hanging, yet even this latter form of execution has been most cruelly carried out, being in fact slow strangulation, so that the victim is in pain for half-an-hour or more. Women convicted of major crimes were often executed by poisons calculated to inflict terrible agony before death ensued. Although regulations for prison administration more or less on the basis of modern principles were enacted in January, 1898, yet their enforcement was not separated from the functions of the ordinary executive, being left under the control of the Inspector-General of Police in Seoul and of the Provincial Governors in the provinces. Consequently, prison administration, instead of aiming at the punishment of criminals in the interest of public safety, was often prostituted to private ends, so that innocent people were frequently thrown into jail simply at the dictates of political or personal vengeance. The new regulations provided that the treatment of prisoners awaiting trial should be differentiated from that of those already convicted, but in practice no such discrimination was made. Again, injustice in the treatment of convicts of the lower classes was very marked, so that while an offender of high official rank or the better class of civilians could have the company of his family in the prison yard and could order any luxury in the way of food or bedding, a convict of the poorer class could hardly obtain two meals a day, and often died of actual starvation. As to sanitary measures, nothing

was provided. Most of the prison buildings in the provinces were mere shelters, often with earth floors. In winter, when the thermometer fell below zero, there were many cases of death from cold. In hot summers, on the other hand, prisoners often fell victims to epidemic diseases. Even the prison compound in Seoul, which was established in 1902, has no separate building for the sick. When judicial reforms were commenced in 1906 by introducing Japanese legal councillors in the various courts, the Resident-General caused the advisory police inspectors, attached to the provincial government offices, to improve the prison administration as far as circumstances might permit. Efforts were made to differentiate the treatment of prisoners awaiting trial from that of convicts; three regular meals a day were given to all prisoners; rigorous sanitary measures were prescribe dfor times of epidemic disease; special rooms were to be set apart for the sick; outdoor work, such as street cleaning, was introduced to give air and exercise to the prisoners. For moral purposes, religious teaching was to be given to the prisoners and convicts on Sundays by Christian teachers, and, on Wednesdays, by Buddhists.

"Under the new régime, nine prisons were to be established throughout the country, one on some island, and the others in places where law courts are situated, the head warden and half the warders in each prison being Japanese. According to the Regulations for Prison Administration, which were promulgated by Imperial Edict No. 52, on December

12th, 1907, the prison administration has been brought under the control and supervision of the Minister of Justice ; one or more physicians are to be permanently attached to each prison, and women jailers are to be in charge of female prisoners.

"The new prison for Seoul has been built outside the West Gate. The compound is six acres in extent; and the building, begun on January 10th, 1907, was finished on December 26th, the whole cost being Yen 48,358. Although all the structures are of wood, they are arranged from the point of view of sanitation and so as to facilitate general oversight. In addition to the office buildings, to which are attached the medical quarters, there are three prison edifices—one each for male convicts, for female convicts, and for prisoners awaiting trial. Of the two hospital buildings, one is for ordinary patients ; the other for the isolation of contagious cases. The building where capital punishment is carried out has an arrangement for hanging in the speediest way."

At Pingyang, I had an opportunity of seeing the old and the new side by side, and though from a European standpoint even the new prison was terribly congested, it was an earthly paradise in comparison with the inferno which a nonchalant Japanese warder disclosed to our horrified gaze when he opened the doors of the old Korean section. I was with an English military officer and a Russian journalist (M. Nemorovitch Danchenko) at the time, and the impression which this awful spectacle made

upon them was equally painful. On this occasion too, the Japanese prison authorities quite unconsciously gave themselves away. In other words, they proved to us conclusively that cruelty on the part of the new masters of the country may be wholly unintentional. They were showing us the place of execution where three Koreans had been hanged only the day before, and the fact came out quite casually that all three men had been taken to the spot together and despatched one after the other, each man in turn being forced to look on while his predecessor suffered. One man had managed to free his hands before his turn arrived and, seizing a billet of wood lying near, had attacked one of the warders, inflicting a nasty scalp wound. On further inquiry, we ascertained that the pulses of the victims did not cease to beat for twenty minutes after the drop. I speak subject to correction, but both my companions and I were of the opinion that death must have been due more to strangulation than a broken neck. Our own conclusion, after careful examination of the trap-door and cavity beneath, was that insufficient drop had been allowed for the purpose. I am aware that the Korean authorities were wont to hang offenders and others from the most convenient tree and leave them there; in fact the missionaries have told me that they could never reconcile themselves to these sylvan sights; but something very much better is expected from a Power which has been recognized as first-class by the Occident, and if capital punishment cannot be abolished, then at least it behoves her to see to it that as far as possi-

ble it is robbed of gratuitous cruelty and gruesomeness. I have also seen photographs of Koreans strung up in rows from improvised scaffolds and others being shot while tied to crosses. All these may be stern necessities, but judging from the persistency with which the insurgent movement continues, they do not seem to have been efficacious in spreading respect for the Japanese overlordship. Reasoning by analogy, in the light of the physical abuses of authority which prevail in Japan Proper, the indications all point to a state of affairs in Korea not at all pleasant for those unfortunate natives who, justly or unjustly, incur the wrath of the Japanese.

There is some hope in the newly-organized Courts on the Japanese model, with Japanese judges. Any male Korean capable of passing the necessary examinations may practise in these Courts. It will be some time, of course, before Koreans can thus qualify to any great extent, but with proper training their intellectual competence for the work cannot be doubted. As the Korean Bar grows in numbers and influence it will furnish the natives with a regular legal medium through which they will be able to voice their wrongs as against individual Japanese, and even making some allowance for a possible tendency to partiality which may be present on the Bench, it is not unreasonable to believe that in the long run some salutary check will be imposed upon the ruffianism of the lower elements among the Japanese settlers, concerning whose unrighteous proceedings both the "pro" and "anti" parties are unanimous.

The Japanese fondness for regulating the minutest details is often carried to excess, and instances of this tendency are not wanting in Korea, but in the matter of improved means of communication, sanitation, and hygiene, every foreign resident will confirm the statement that splendid work has been done to date. The new hospitals at Seoul and other points are model institutions, as Japanese hospitals of any standing usually are, and here at least the Korean derives nothing but benefit from the substitution of the new for the old. It must not be forgotten that the missionaries have been the pioneers in this direction, but the Japanese necessarily have ampler resources at their disposal and the results of this wisely-applied expenditure are wholly gratifying.

Japan is showing herself one of the most fervent converts to the doctrine of conquest by railway, and there are at present several important projects on the tapis for the further opening-up of the peninsula in the near future. The present lines in operation are the Seoul-Fusan trunk-line, 274 miles in length; the Seoul-Wiju trunk-line, 311 miles in length; the Seoul-Chemulpo line, twenty-five miles in length; the Masampo line, twenty-five miles in length; and the light railway which at present connects the new port of Chhyongjin with Hoiryong, this line being about seventy miles long. In the course of the next eleven years it is proposed to build three additional trunk roads which will possess both strategical and economic importance, as do the majority of Japanese undertakings on the mainland. The lines projected are from

the south-western port of Mokpo to Koangjyu, which latter town will in all probability be linked up with the Seoul-Fusan trunk-line at the important economic centre of Taiden, or Tatienling; from Seoul north-east to the port of Gensan; and from Songjin, south of Chhyongjin on the north-east coast, to Hoiryong, thence connecting with Chang-chun by the Kirin-Changchun Railway already under construction. Among several projected branch lines is one from the port of Kunsan, on the west coast, to connect with the Mokpo-Koangjyu Railway at the latter terminus, and thence with Taiden. All these new routes will open up important stretches of country and still further strengthen Japan's grip upon the destinies of Korea and Manchuria.

According to the last report of the Residency-General, up to the close of the fiscal year ending March 31st, 1907, there had been expended Yen 33,194,910 on the Seoul-Fusan line; Yen 31,600,110 on the Seoul-Wiju line; and Yen 2,338,951 on the Masampo line, making a grand total of Yen 67,133,971. In February, 1907, the Imperial Diet authorized the Railway Bureau of the Residency-General to establish a special account for the construction and improvement of railways in Korea, and granted a sum of Yen 21,873,144 for these purposes, thus adding Yen 8,179,-003 to the sum of Yen 13,694,141 which had already been appropriated for military objects. Under the so-called eleven years' programme the total amount of additional expenditures contemplated is Yen 39,000,000 in round figures, the principal items of which are Yen 16,000,000

in round figures, for improvement of the Seoul-Wiju line; Yen 15,000,000 in round figures, for the construction of the Mokpo-Kunsan-Koangju-Taiden Railway; Yen 16,800,000 in round figures, for the Seoul-Gensan line; and Yen 4,000,000 for rolling-stock. The annual disbursements on the above account will thus average a little over three million yen. The new Seoul-Gensan Railway will confer great benefit upon the country, seeing that at present, in order to reach Gensan from Seoul, the traveller is obliged first of all to proceed to Fusan by the Seoul-Fusan Railway and thence by boat to the north-eastern port. The projected line will thus effect a big economy of time and energy.

The reconstruction of the Seoul-Wiju Railway at the earliest possible moment is regarded as absolutely imperative, and it is hoped that the maximum period will not exceed that required for the rebuilding of the Antung-Mukden line. Thus within three years at the latest, the Seoul-Wiju Railway will be linked up, on the one hand, with the Seoul-Fusan line, and, on the other, with the Antung-Mukden line. At the present time, the Seoul-Wiju Railway has many shortcomings, owing to the inevitable haste with which it was built during the Russo-Japanese War. One result is that the 100-ton engines of the Seoul-Fusan Railway cannot be used on the above road which, in the existing condition of the track, is capable of bearing a locomotive of only half that weight.

The projected Mokpo-Koangjyu Railway may be finished in three years. The country to be traversed

is fairly open, and very little bridging or tunneling will be required. The average cost of the Seoul-Fusan line works out at about a hundred thousand yen per every ten miles, and taking this railway as a basis of calculation, it is believed that the Mokpo-Koangjyu Railway will not cost more than that sum for every thirteen or fourteen miles. It is not proposed to begin the work of construction simultaneously from both ends of the route, but only from the northern terminus, and just as quickly as the sections are completed it is intended to throw them open to passenger and goods traffic, by which means, thanks to the fertile and comparatively prosperous nature of the country, a very substantial revenue ought to be forthcoming to balance the account.

The construction of the Seoul-Gensan line will also be started from one end only, viz., Seoul. The route to be traversed is of a mountainous character, so that the enterprise will offer far more difficulties than that of the Mokpo-Koangjyu line. On the assumption, therefore, that the latter road will take three years to build, the former will require at least five. Traffic on this line can be conveniently opened only when the entire stretch from Seoul to Gensan is complete, seeing that the volume of local passenger and goods traffic is likely to be very inconsiderable. An effort will therefore be made to finish the undertaking as rapidly as possible so that it may yield its quota of revenue to the treasury. Surveys on both the above-mentioned railways will probably have begun before these lines are published, in which event the actual

work of construction should be inaugurated in August.

The principle of railway nationalization has been extended to Korea, the Seoul-Fusan and Seoul-Chemulpo Railways having been purchased in 1906 for Yen 20,015,500. All the Korean lines are now under the charge of the Railway Bureau, which, subject to the supervision of the Resident-General, controls and manages matters of construction, maintenance, and improvement.

In this context a few words about Chhyongjin are necessary. This new free-port will become the natural objective of all vessels with goods consigned to North Korea, the Ussuri region, via Hoiryong-Chientao-Hunchung, and via Chientao to Kirin. The port itself is said to be admirably located and protected from the elements, and has the additional advantage of remaining open all the year round. The anchorage is so good that vessels up to 10,000 tons displacement can approach close to the shore. In 1906 there were only thirty Japanese at Chhyongjin; in 1907 their number had grown to 600, and soon after the official opening of the port in 1908 the figures were 3,200. It is safe to say that to-day there are fully five thousand Japanese in the town. One of the reasons for this rapid growth is said to be the construction of barracks at Hoiryong and Nanam. For the improvement of the port the Japanese Government has assigned Yen 1,800,000 to be spread over five years. Nanam is the name of a point doubtless unknown to the majority of readers, but one nevertheless possessing great

strategical importance, since here are being built the principal fortifications for the defence of the northern frontier of Korea.* It is proposed to complete this undertaking in two years at an approximate cost of a million yen, and at the time of writing fully two thousand men are employed on the work. At Hoiryong have been established the staff headquarters for a brigade of Japanese troops, and enormous barracks are also under construction. Splendid timber is obtainable in this region. It is rafted from Musan by the Tumen River and stored near Hoiryong. From Hansyong, situated between Chhyongjin and Hoiryong, a branch light railway has been laid via Nanam to Gensan.

The last Korean Customs Returns thus refer to the above port: "On April 1st, 1908, this port was first opened and since then the total foreign trade amounted to Yen 438,757, while the Customs receipts were Yen 33,826. Chhyongjin is greatly benefited by having in its immediate neighbourhood the rich province of Chientao. Chientao's present agricultural products are estimated at three million yen (?annually), and this is only in the eastern part, and there still remain uncultivated fields five or six times greater in extent,

* The Japanese Government's programme, as set forth in the Budget for the 1910-11 fiscal year, contemplates the establishment of one new naval port and two military stations in the peninsula. The new naval port is Chinhai Bay, where a sum of Yen 8,535,159 is to be expended during ten years commencing from 1912. The plan includes extensive docks and strong fortifications. The second project is the construction of barracks at Port Lazaref, the work to take two years from 1910, at an estimated cost of Yen 214,300. The third project is for an artillery range at Kopho, which is also to take two years, the total outlay being Yen 280,385. It is pointed out that Japanese arsenals are now able to turn out 12-inch guns, but that Japan Proper is destitute of adequate testing grounds, and Kopho is described as in every respect suited for the purpose.

where, it is calculated, the same products can be raised to the value of twenty million yen. Besides this the land is rich in minerals and timber. Moreover, when the Kirin-Changchun Railway is extended to this port and direct communication established with Tsuruga, Japan, all products of Eastern and Northern Manchuria can be more advantageously shipped through this port than through Newchwang, Dairen, or Vladivostok. Thus the port is not only one for Korean trade, but may possibly become one of the world's trade ports."

As showing the economic position of the Japanese in Korea, outside the ranks of officialdom, some statistics recently published by the Japanese paper *Nippon* are of considerable value. They show unmistakably the rapid development of Japanese population and enterprise since the war with Russia. Whereas before the war the maximum Japanese population of Korea was about forty or fifty thousand, it has since increased at the rate of twenty or thirty per cent. annually until at the present day the relative proportions are fifteen Japanese for every square mile of Korean territory. Japanese in Korea own real estate valued at Yen 135,000,000 and buildings valued at Yen 12,000,000. The following table shows the number of males and female immigrants at different periods :—

	Houses	Men	Women	Total
Dec. 1906	22,139	48,028	35,287	83,315
June 1907	25,317	51,737	39,486	91,223
Dec. 1907	28,272	55,669	42,332	98,001
June 1908	32,978	64,778	49,886	114,664
Dec. 1908	37,121	70,145	56,023	126,168
June 1909	41,128	78,500	62,417	140,917
Dec. 1909	42,816	80,599	65,135	145,734

The following table gives the area and value of the property held by Japanese in the more important Korean towns :—

	Land in *tsubo*	Buildings in *tsubo*	Value in Yen
Fusan	2,356,189	87,062	9,494,266
Masan	178,749	14,136	1,229,664
Kunsan	30,923,990	73,944	3,404,199
Mokpo	1,121,455	14,321	1,060,226
Seoul	462,618	66,143	11,164,385
Yongsan	1,210,607	19,404	1,506,334
Chemulpo	4,469,157	39,796	94,654,700
Pingyang	817,707	16,952	1,778,599
Chinnampo	597,573	18,420	1,896,991
Gensan	1,083,571	21,664	1,078,257
Taiku	430,562	22,310	1,226,953
Total	52,652,248	394,152	128,494,534

CHAPTER XX

JAPAN IN KOREA (CONTINUED).

Profession and Practice in the Matter of Korean Independence—Count Komura's Declaration—Japan Fought to Preserve Korean Independence—The Trail of the Treaties—Japanese Deliberation after Prince Ito's Assassination—The Il-chin-hoi Cry for "Amalgamation" Finds Japan Quite Calm—Proposal Generally Opposed on the Ground of Expediency not Equity—Some Powerful Advocates in its Favour—Annexation Apparently the Logical Outcome—Existing System Illogical and Anomalous—Echoes of the Bethell Case—The Question of Extra-territoriality—Professor Hulbert's Alarmist Views—A Soberer Estimate—The Precedent in Japan—The Attitude of Japanese Courts towards Foreigners—The Case against Amalgamation as Interpreted by Japanese Organs—The Disadvantages of Annexation—Rumoured Customs Union between Japan and Korea—Powers Chiefly Affected—Count Komura's Distant Allusion to the Subject—Shifting of Japan's Line of Defence from Sea to Land—A *Fait Accompli* Already—Real Restoration of Korean Independence Apparently Hopeless.

Side by side with oft-repeated assurances of her determination to preserve the independence of Korea at all costs, Japan has been steadily circumscribing that independence ever since the war with Russia. As far back as November, 1904, we have Count Komura, the then Minister of Foreign Affairs, stating that Japan was "determined to maintain the integrity and independence of the peninsular Empire. For that object she had fought ten years ago, and for that object she was fighting to-day." Article III. of the Treaty of February 23rd, 1904, reads: "The Imperial Government of Japan definitively guarantees the independence and territorial integrity of the Korean Empire." A year and nine months later a

Treaty was concluded creating the office of Resident-General and delegating to the Department of Foreign Affairs at Tokyo control and direction of the external relations and affairs of Korea. Two years later came another coercive Treaty which, with the extension of the powers of the Resident-General, established a virtual Japanese suzerainty over the Hermit Kingdom. And yet the babble about Korean independence still continues!

It must be conceded that Japan is capable of great deliberation when the same seems to be essential. When news of the assassination of Prince Ito at Harbin reached Japan, ninety-nine foreigners out of every hundred unquestionably believed that here at last Japan would be furnished with a solid pretext for annexation. The story was indeed current at the time, although of course it cannot be proved, that several Tokyo dailies had prepared red-hot editorials advocating recourse to this step, but that at the last moment the authorities laid an embargo upon their publication, the outcome being that the comparative moderation of press comments regarding the terrible tragedy amazed the foreigner in Japan and the world in general. After that, both Press and public kept their heads with admirable restraint. Talk of reprisals against the Koreans as a people, which might almost have been expected if it could not have been justified, rarely if ever passed the lips of any responsible Japanese. It was freely recognized that the act of one man could not with any show of justice be visited upon the heads of an entire nation.

Then without warning the Il-chin-hoi announced its proposal for "amalgamation" of the two empires. It is contended that the members of this organization throughout Korea number more than a million, so that though the motive underlying the proposal may be questioned, it is none the less surprising that so many natives of the country should be found willing to endorse the policy herein indicated. The Resident-General, however, treated the society and its petition with contempt from the first, and refused to transmit the latter to the Cabinet or to the Emperor, and here the matter rests as far as officialdom is concerned. The incident has afforded the Government one more opportunity for affirming Japan's unalterable fidelity to the principle of Korean independence. Nevertheless, while the Government has categorically disavowed any intention of annexing Korea, not a few prominent Japanese publicists and newspapers have borne themselves very sympathetically towards the Il-chin-hoi project. Count Hayashi, ex-Minister of Foreign Affairs, unequivocally declared himself in favour of amalgamation, and Viscount Sone's rather summary method of dealing with the Il-chin-hoi petition evoked murmurs from the metropolitan and provincial Press. It is significant that even those papers which opposed amalgamation did not do so because amalgamation would imply a breach of treaty obligations and pledges, but merely because amalgamation at this juncture was not expedient, largely for financial reasons. A paper like the *Jiji* actually attacked Viscount Sone for his attitude on this ques-

SEOUL SOUTH GATE IN FORMER DAYS.

SEOUL SOUTH GATE AT THE PRESENT DAY.

tion, finding fault with his announcement that the scheme of annexation was quite inconsistent with the policy bequeathed him by the late Prince Ito. "Such a remark," said this paper, "will mislead the Koreans into thinking that Japan has some sinister designs other than the annexation of Korea, and it is quite natural that they should be at a loss to understand to which Government they are to look for protection. Japan's actions since the late war indicate that she has gone a step further than the establishment of a protectorate over Korea, and in consideration thereof it would be more manly and opportune for Viscount Sone to declare that Japan endorses the Il-chin-hoi's movement for amalgamation than to make the rather ambiguous statement alluded to above." So much for the value of treaties.

Annexation would appear to be the only logical exit from the impasse in which Japan now finds herself. The judicial system is to all intents and purposes Japanese, and on no other terms would the United States have entered into a special Treaty—nominally with Korea, but actually with Japan—waiving her extra-territorial rights in Korea in the matter of patents, designs, and trade-marks. The attempt has sometimes been made to compare the state of affairs in Korea, *via-à-vis* Japan, with the state of affairs in Egypt, *vis-à-vis* Great Britain. But it is not possible to mention in the same breath a State the head of which has complete personal freedom to go and come as he likes, to travel from country to country in his own yacht, and a State whose nominal

head is virtually a palace prisoner unable to see anybody from the outside world without the consent and in the presence of the Resident-General; a State the father of whose Emperor is equally a prisoner, and a son of whose ex-Emperor is a sort of hostage in the hands of the Japanese. During the proceedings in the second Bethell case at Seoul, already referred to, the defendant's counsel, Mr. Crosse, most effectively exposed the absurdity of the entire situation in the course of a merciless cross-examination of Mr. Miura, the Secretary to the Residency-General and Japanese Resident, or Consul, at Seoul. After extracting the admission from the witness that the real complainant in this case was the Resident-General himself, although ostensibly the charge was laid by the "Korean Government," Mr. Crosse proceeded (I quote from my own shorthand notes of the case):—

Now, what do you say—are you a servant of the Korean Government or of the Japanese Government?—Of the Japanese Government.

Do you admit that there are two separate Governments—the Korean Government and the Japanese Government?—There are two.

May I ask if you can tell me what is the nature of the Korean Government?—There is a Japanese and a Korean Government, but the Korean Government is under the direction of the Residency-General, as stated in the Agreement.

Now, tell me—which is the supreme Government in Korea, the Japanese or the Korean?—I cannot quite understand. What do you mean by supreme?

Which is No. 1?—If the Korean Government is under the direction of the Residency-General, then it is under the Japanese Government. The Japanese Government is, of course, supreme.

With regard to matters which it administers, do you say that in all departments the Japanese Government is superior—is over the Korean Government? Do you say that the Japaense Government is superior to the Korean Government in everything?—In everything—of course Government business?

Yes, in Government business.—Yes.

Then it comes to this. You say that practically there is no Korean Government?—There is.

Yes, but what does it do?—They are doing Government business under the direction of the Residency-General.

I do not know whether you understand the word "Government." You tell me that the Korean Government has no independence, has no autonomy at all. I want to understand you, you know. I want you to tell me. You say the Korean Government, as a Government, has no power or authority to do anything without the permission of the Japanese Government?—Yes.

Then, following on that, to all intents and purposes Korea is Japan?—I do not know (Laughter). That is another question.

I think you are wise there. Now, would I be wrong if I said to you in ordinary conversation, Japan has a protectorate over Korea?—It has already. Korea is a protectorate of Japan.

But you do not say that Japan has taken Korea?—You mean annexation?

Yes.—No.

Well, the situation is a curious one. You say, then, that the independence of Korea exists subject to the protectorate of Japan?

As the result of intervention at this point by the Court and the Crown Prosecutor, the witness did not reply to the question, and Mr. Crosse thereupon closed this phase of the cross-examination with the following queries:—

Are you appointed by the Japanese Government?—Yes, sir.

And do you consider yourself in the service of the Korean Government also?—I beg your pardon.

Mr. Crosse repeated the question, when the witness replied in the negative.

But you have laid this charge of exciting enmity between the Government of Korea and its subjects?—Yes.

As an official of the Japanese Government?—Yes, of course. The Japanese Government gives directions to the Korean Government.

Not only is the "Korean Government" bereft of volition and initiative in domestic and foreign affairs, but even the figure-heads through which the real rulers of the country have hitherto to a certain extent made their wishes known are gradually being displaced. An official enquiry recently concluded into the system of local government recommended that in future the office of provincial inspector or governor

should be merged into that of resident. Hitherto the provincial governors have been Koreans, whereas the residents are Japanese, so that the amalgamation of the two offices implies a material expansion of Japanese administrative authority. In view of all these circumstances, the question is admissible: Would it not be better for all concerned that Japan should accept full responsibility for the situation she herself has created, and put an end to a discreditable farce? The Koreans could not be any worse off and might conceivably be better off as the result of the concentration of both ostensible and real authority in the hands of those whom public opinion could hold accountable for everything that went wrong, whereas nowadays, there is always the polite fiction of Korean officialdom to complicate matters and serve the Japanese as a convenient stalking-horse.

As far as the Powers are concerned, however, there is still the consideration of extra-territoriality to be carefully weighed. Professor Hulbert has given it as his opinion that if the Powers abandon these rights in Korea "they will be perpetrating a crime upon their own nationals there and will put the axe to the root of all western enterprise in that country," but the truth may be that this transition would be less violent than these words would imply. The foreigner in Korea must conform to Korean-cum-Japanese laws, and must seek redress against any Japanese in Korean-cum-Japanese Courts. His sole privilege is that he in turn can be proceeded against only in his own Consular Courts, but seeing that,

in the majority of cases, the foreigner in both Japan and Korea is more usually a plaintiff than a defendant, the net consequences of the abolition of extra-territoriality would be far less drastic than Professor Hulbert thinks, and would scarcely involve economic interests to the extent suggested. I can recall that before the Revised Treaties came into force in Japan and foreigners were still amenable to Consular jurisdiction, the prospect of submission to Japanese law was viewed with the gravest concern by those affected, and dark predictions were uttered regarding the fate of foreign litigants under the new régime. As a matter of fact, though the working of the Japanese Courts is far from perfect, and though not every judgment has given satisfaction to foreign litigants, the *status quo* is not such as to vindicate the pessimistic forebodings of ante-revision days. No plaintiff or defendant is satisfied with a decision against himself, but I do not honestly think that a careful and an impartial scrutiny of the cases heard in the Japanese Courts since 1899, cases, that is, in which foreigners have been implicated in any capacity, would warrant the conclusion that Japanese judges have as a general rule been guilty of permitting racial prejudice to bias their decisions. I do not say that there have not been isolated cases where this inference would be justified; I simply contend that the conscientious endeavour of Japanese judges has been and is, in the majority of instances, to be impartial. We cannot say what the result of the abolition of extra-territoriality would be in Korea, but on general

principles and from analogy, I am inclined to think that it would not be by any means so terrible as the alarmists honestly believe. In any event, Japan is not likely to raise this vexatious issue for the time being, certainly not until after the new Treaties with the Powers have been comfortably completed, since its obtrusion at the present juncture, rightly or wrongly, might conceivably raise diplomatic complications in the latter context, should the idea that foreign interests are likely to be menaced in the peninsula gain wide acceptance.

Another scare analogous to the above is the rumoured purpose of Japan to conclude a Customs Union with Korea. As regards this rumour, indeed, it would be dangerous to assert that it is entirely without foundation. Unquestionably a proposal of this kind finds favour among Japanese chambers of commerce and in commercial circles generally. It is true that the administration of Korea could ill afford to dispense with the two million yen odd annual revenue which it derives from Japanese imports alone, out of a total of more than three million yen in all collected in the form of import duty, but the obstacle is not by any means insuperable. Speaking in the House of Representatives on February 14th, 1910, Count Komura, Minister for Foreign Affairs, made some indirect reference to this subject worthy of more than passing attention. He is reported to have said, apropos of Korean and Japanese tariff relations, that it was impossible to except the peninsula from the general rule so long as the Treaty between the two

countries remained in force and applicable to the case. If, however, the necessity for extending special treatment to Korea should arise at some future date, in connection with the coming revision of the Treaties, then the Government had in mind a plan for placing Korea under special conditions, without allowing other Powers to enjoy the same rights. He added, however, that the Government was still in doubt as to the feasibility of such a measure. The countries most intimately affected by the possibility of such a Customs Union are, of course, Japan, Great Britain, China, and the United States. A few figures will best demonstrate the truth of this contention. The total import trade of Korea for 1908 was valued at Yen 41,025,523, of which amount Japan's share represented Yen 24,040,465; China's Yen 4,882,246; Great Britain's Yen 6,781,715; and America's Yen 4,194,-529. No other Power went beyond six figures, so that the preponderating interests of the four nations cited are obvious at a glance. As having, perhaps, some bearing on the subject, it may be mentioned that whereas Japan's exports to Korea for 1908 show a decline of more than three million yen in value as compared with the previous year, those of China, Great Britain, and America show appreciable increments, which, in the case of Great Britain, exceed a million yen. Korean exports to Japan also reveal a falling-off, but seeing that Japanese economists are rather more disposed to welcome than decry a diminution of imports into Japan so long as Japanese exports continue to expand, perhaps it is not necessary to

emphasize the foregoing point. At any rate, it is clear from what has already been said, that the extension of a Japanese protective tariff to Korea would hardly be greeted with rapturous enthusiasm by either Great Britain or America. On the other hand, these are considerations which ought properly to have occurred to both Great Britain and America when they helped Japan to win the war with Russia and rejoiced exceedingly over the downfall of the latter in Manchuria. The ultimate annexation of Korea and the erection of a lofty Japanese tariff barrier round the peninsula would be entirely in accordance with the eternal fitness of poetic justice. At the same time, the fact that American and English trade appears fairly prosperous scarcely squares with the ever-recurrent lament on the score of Japanese anti-foreign discrimination in Korea. The great American firm of Collbran & Bostwick, for example, managed to arrive at an amicable understanding with the Residency-General and to confirm its right to certain mining concessions which were in dispute, in spite of the much-dreaded mining regulations which, it must be confessed, are rather ominously worded. Indeed, on the occasion of a conversation which I had with Mr. Collbran Jr. quite recently, he spoke in the warmest terms of the attitude of the Japanese authorities towards his firm. Messrs. Collbran & Bostwick acquired their mining concessions under the old imperial régime, but after a long dispute these rights were confirmed in 1908 and, in fact, the privileges granted by the Japanese authori-

ties were more liberal than the concessionaires themselves had ever expected to receive. Ever since, moreover, the Japanese at the Residency-General have consistently met the firm more than half-way. In the matter, for example, of postal and telegraphic communication with the famous Kapsan mine, Messrs. Collbran & Bostwick had made a certain offer to bear the initial cost of connecting the mine with the nearest post-office—a distance of some fifteen miles—the amount proposed being about Yen 1,800, and to pay thereafter an annual sum for upkeep. The Japanese authorities, however, not only greatly reduced the cost of installation, but entirely waived the appropriation for subsequent maintenance, which they assumed themselves. It is fair that these facts should be known when so much has been said and written about Japanese monopolistic methods as exerted against the Occidental. The new mining regulations undoubtedly do invest the Minister of Agriculture and Commerce with undue individual powers of interference, and as regards Messrs. Collbran & Bostwick, it is true that they are not subject, save in a secondary degree, to these regulations, in view of the fact already noted that their concessions antedate the promulgation of the same by many years; but, on the other hand, the attitude adopted by the authorities towards this American house is so far from betraying any other desire than that of encouraging the investment of foreign capital in undertakings of this nature, which yield a large revenue to the treasury, that it is admissible to hope that in the future these regulations will

be interpreted with liberality, and that the almost plenary powers of the Minister will never be arbitrarily exercised.

For the rest, the weeping and wailing and gnashing of teeth, with the sound and sight of which the rest of the world has been diverted or edified, according to standpoint, for some time past, must be pronounced a trifle belated, not to say maudlin. In any event Japan will probably carry out her own policy in her own way as regards Korea, and as far as the Powers themselves are concerned, she will be abundantly justified in doing so.

That the more thoughtful among the Japanese themselves are not misled by mere terminology there is abundant evidence. The substance, not the shadow, the thing and not the name—these are tenets of Japanese political philosophy. The *Chuo*, for example, writes in this very context: "Already military, diplomatic, and judicial rights are in our hands, and it is therefore unnecessary to fight for the privilege of amalgamation in name only. Rather than gain nominally let us gain in reality. To gain in reality is to secure complete tariff autonomy in dealing with the Powers, and also the withdrawal of extra-territoriality. These things do not concern amalgamation. It would be more advantageous for us to settle the tariff and extra-territorial questions than to fight for amalgamation. On the other hand, the designation Korea and the idea of the Imperial House are important in the eyes of the Korean people, but are simply empty words to the Japanese, and it is not

meet that the Japanese should make a fuss over empty things." There is nothing fanatical or visionary in that pronouncement.

The disadvantages to which annexation would be likely to expose Japan have been very forcibly presented by *The Japan Chronicle*, which writes: "The chief question for Japan to consider is whether the step which is proposed would be to her own greater interests. By annexation Japan would definitely enter upon a policy of mainland possession, with all the risks and dangers thereby involved. She would abandon her natural sea-line of defence, which for so many centuries has preserved her inviolate, and establish her frontier on land where expensive artificial defences must be raised and which must be held by a large force of troops. What will Japan gain by it? Possibly a certain amount of military reputation, but only at the expense of laying heavier burdens on her own population. Much glory was won during the late war, and Japan is now paying for it in depressed trade and strained finances, with a burden of taxation which is crippling the productive energy of the people. It is worth consideration by Japan that England's power and might began to grow from the time she lost her continental possessions, and was compelled to devote her energies to the development of her own resources. So long as Japan maintains a protectorate in Korea, it is possible for her to withdraw when the Koreans are in a position to govern themselves; if annexation be adopted, the die is cast and Japan thenceforth becomes a continental

Power with all the accruing difficulties and responsibilities."

It can be urged from the Japanese standpoint, that Japan must inevitably regard North Korea as her land frontier, and, that, annexation or no annexation, she must provide against surprise from the north and north-east. She has already cast the die in building the Seoul-Fusan-Wiju railways, in the creation of Chhyong-jin, the connection of the latter port with Hoiryong, and the projected connection of Hoiryong with the Kirin-Changchun Railway. In other words, so long as Japan continues to play the political and economic game in Manchuria, let alone Korea, just so long must she continue to retain *de facto* possession of the Hermit Kingdom as essentially her great *point d'appui* should complications of a serious nature arise in any part of the continent. In this regard annexation could not greatly heighten her responsibilities nor evacuation lessen them, whereas evacuation might very conceivably entail the necessity of doing over again that which has already cost her almost untold blood and treasure to accomplish, however wise or foolish may have been the counsels which dictated these proceedings. In short, nobody who has been over the ground and noted the fundamental character of Japanese enterprises in either Korea or Manchuria, can honestly persuade himself that she entertains any intention of ever again retiring within the narrow confines of her original islands. I cannot help thinking that Japan has gone too far along the path of Imperialism to think of retreat. Annexation of Korea can be post-

poned indefinitely while Japan continues to possess the reality minus the name, as the *Chuo* well says; but in the absence of far-reaching and radical changes in the disposition of the pieces on the political and strategic chess-board of the Far East, such as it is not easy in present circumstances to anticipate, the actual, as distinct from the nominal, restoration of Korean independence impresses me as an impossible consummation.

CHAPTER XXI

JAPAN IN KOREA (CONCLUDED).

Views of a Japanese Journalist on the Situation—Who Killed Prince Ito?—Koreans Generally Had Confidence in the Prince—How Misunderstandings Have Arisen—Historical Analogies—The Fundamental Error of Relying on Pro-Japanese Koreans—The Destruction of Korean Homes—Pro-Japanese Koreans Sometimes Offenders—Intimidation Practised by Korean Military Interpreters—The Evils of the Petty Official System—Best Men Not Chosen—Good Laws Not Understood by the Masses and Abused by Pro-Japanese Koreans for their Own Ends—Misrepresentations by Pro-Japanese Koreans Often Cause Trouble—Japan Should Dispense with Go-betweens and Meet Koreans Face to Face—Plea for Freedom of Speech and the Press in Korea—Unjust Depreciation of the Korean—An Invidious Comparison—What the Russians Think of the Koreans as Settlers and Citizens—The Best of the Yellow Races—Loyal to Russia—What Japanese Failure Must Imply.

Lest it should be said that I have allowed my estimate of the situation to be coloured by prejudice, I reproduce below an article on the administration of Korea, written by Mr. Yamaji, a well-known Japanese journalist, and published in the Japanese monthly, the *Taiyō*, from which it was translated by *The Japan Chronicle*.

"The Japanese nation (writes Mr. Yamaji) has now before it a question calmly to ponder over. The question is, Who killed Prince Ito? To say it was a Korean fanatic is only a superficial observation. We must look deep into the real condition of affairs. The Korean fanatic who sought the life of Prince Ito at the risk of his own must have acted on a certain conviction. What was the conviction that prompted him

to take the life of the Prince? This is the question the Japanese must attempt to solve.

"The intelligent classes of Koreans had implicit confidence in Prince Ito. They owed him profound gratitude for the cordial treatment extended to the Crown Prince of Korea by the Imperial Court of Tokyo, which they ascribed to the sincerity of Prince Ito in his dealings with the peninsula. They demonstrated their feeling when on the occasion of his last birthday they made the Prince a handsome present in the shape of a silver pine with stork and lotus with tortoise, symbolic emblems of long life. This was a token of sincere prayer emanating from the very depths of their hearts, and furnishes an eloquent testimony to the high esteem and love with which Prince Ito was regarded by the Koreans. Who can he be then who committed the dastardly deed without remorse? It is indeed inexplicable.

"Tragic episodes in human life arise in many cases from misunderstanding. His administration of Korea was too upright to provoke misunderstanding and too liberal to create hatred in the minds of the Koreans. But if Prince Ito himself was not misunderstood by the Koreans, there existed many causes for misunderstanding of the Japanese on the part of Koreans, while the former were subject to many temptations which led them in their turn to misunderstand the Koreans. These misunderstandings probably did not lead directly to the cruel death of Japan's greatest statesman, but the fact that they played at least an indirect part cannot be gainsaid.

"On perusing *Togoku Tsugan* (a History of Korea) we find that at the time Korea fell under the sway of Mongolian conquerors, unscrupulous statesmen of the peninsula succeeded on many occasions in working the downfall of their political opponents through the influence of the Mongolian court, whose favour they obtained by representing their enemies in false colours. We cannot but shudder at the treachery inherent in the people of that petty country. Whenever a small country comes in contact with a great one, there arises a peculiar party in the former who curry the favour of the latter in order to serve their own sinister purposes, and the statesmen of the larger country are apt to be deceived by them, which culminates in misunderstanding between the two countries.

"There is at present in Korea a party which poses as pro-Japanese. The leaders of the party have acquired important posts in the Korean Government, simply because they profess to be pro-Japanese. Can these men be trusted? Can the Koreans who fawn upon the Japanese officials and serve them as spies be relied upon as our true friends? According to our information, the Koreans strongly resent the action of the Japanese soldiers in burning down their houses. Korean hills are mostly barren rocks devoid of trees. When houses are once burnt down it is very difficult to rebuild them. The destruction of houses thus means rendering the people homeless. On such occasions the frightened Koreans dare not complain to the authorities of the atrocities. It is stated that

in one case, when some Japanese soldiers were discovered in the act of committing arson, without any justifiable cause, the Koreans, driven by desperate courage, surrounded and caught the soldiers, when to their great astonishment they found the incendiaries to be no other than Korean members of the so-called pro-Japanese party in disguise. This incident brought home to the minds of many Koreans the fact that the burning of houses complained of is not always committed by Japanese soldiers; and that the culprits are in many cases their own countrymen. The so-called pro-Japanese Koreans are at the beck and call of Japanese swindlers who abound in Korea. Such Koreans do more harm to their own kinsmen that do Japanese swindlers. It is this party who sow the seeds of discord between the Koreans and the Japanese. Its members serve the Japanese army as interpreters, and when they are sent out to purchase food for the troops, they extort bribes from the peasants through intimidation. The commodities thus collected are sold to the Japanese army, the interpreters thus obtaining money from both sides. The Japanese army authorities do not dream that the Koreans have cause for complaint in regard to the requisition because everything purchased is paid for, while the Koreans are indignant at the supposed high-handed action of the Japanese army. It is certainly not the fault of the Japanese army, but of the Korean interpreters who belong to the pro-Japanese party. Instances are not lacking to show how misunderstandings are created in this way.

"From time immemorial there have existed in each district in Korea a few hundred hereditary petty officials, maintained at the public expense, and despised by the people. Under the present administration this despised class of Korean officials have been elevated to the more dignified rank of police constables or assistant gendarmes. They have risen from an obscure position to the respectable rank of Government officials—wings have been added to the tiger, as the proverb has it. Formerly these officials had no authority to enter private residences and arrest people without special instructions from the local authorities, but as policemen and gendarmes they are now empowered openly to enter the private houses of peaceful citizens. It would, therefore, be surprising if they did not tyrannize over their countrymen by arrogance and high-handed action. The improved police system has thus become a source of calamity to peaceful citizens.

"Under the present official organization in Korea, local officials are chosen from amongst the intelligent classes of Koreans in each province. At first sight this appears to be an admirable system, but the system is nevertheless impracticable in Korea, though it might work well enough in Japan. The arrangement provides for Koreans whose character inspires deep admiration among the people to be given posts in local administration; but virtuous men do not necessarily make good officials. This is especially the case in Korea, where, at the present low stage of civilization, the country folk who spend their whole

life within the limits of a restricted locality betray a sad lack of knowledge regarding the affairs of the world. Even if they are held in reverence by the people of their district, their ignorance disqualifies them from practical administration of local affairs. Nevertheless, if such men were really chosen for local government, the results might not be wholly unsatisfactory, but it is regrettable to note that the system often remains a dead letter, and that knaves obtain the posts instead of virtuous men. The fault lies in the method of putting the system into practice. When an appointment is to be made the local governors usually obtain from the police information regarding the status and reputation of the candidates. Men of blameless character abstain from seeking the favour of the police, whereas the unscrupulous are too ready to induce the police to make a favourable report on their behalf. The result is that persons of questionable character, who are deeply imbued with the traditional evil of purchasing office for pecuniary consideration, receive appointments to the exclusion of good and capable men. This state of things is much deplored by the Koreans.

"The Residency-General includes many capable men. A large number of new laws and regulations have been enacted during the past few years, avowedly for the protection of the rights of the Koreans. Unfortunately, however, the Koreans for the most part are incapable of fully understanding and appreciating such thoroughly modern legislation. It

is the members of the so-called pro-Japanese party alone who understand and make use of these laws to enrich themselves at the expense of uninitiated Koreans. The laws framed by the intelligent officials of the Residency-General thus serve as a tool for unscrupulous persons in the prosecution of their knavery.

"The pro-Japanese party is mostly composed of low-class people who were formerly despised by respectable Koreans. They do not inspire confidence and respect in the public, but rely on the favouritism of the Japanese and act in their districts so high-handedly that the Koreans indignantly call them *Dowai* (or native-Japanese) and an outcry is being raised to get rid of them before disposing of the Japanese. The *Dowai* denounce their opponents as anti-Japanese and never lose an opportunity to represent them in a false light to the Japanese officials. The latter obtain most of their information from such sources, and thus form their ideas as to the real condition of the Koreans and their sentiments on a wrong basis. It is only natural that with such a state of things misunderstandings should exist between the two nations.

"Some Koreans are thus no less misunderstood by the Japanese than the Japanese are misunderstood by them. It is regrettable that this misunderstanding should have been the indirect cause prompting a Korean to assassinate Japan's greatest statesman, who has been their benefactor, and it can only be hoped that this misunderstanding between the two nations will be wholly eradicated in future.

"To speak the plain truth, it is against good policy to listen too much to the so-called pro-Japanese party. There can be no doubt that these Koreans have served as a useful instrument at one stage of the transition, but that time is now past. If one makes tools of others too long, one is apt to be made a tool of oneself. These Koreans have long enough constituted a cause of rupture between the Japanese and Koreans. The time has now come when we must meet the Koreans face to face. There is every reason to believe that Prince Ito at last realized the futility of relying on a Korean party. His view was one more step towards the highest pinnacle of sound judgment. I believe that Viscount Sone, the successor to the late Prince, is also fully conscious of the necessity of treating all Korean political parties with strict impartiality.

"I feel convinced that the most urgent need of the time is to know the actual conditions of the Koreans. The object can best be obtained by extending freedom of speech and the Press in Korea. At present too much restraint is placed on the freedom of speech and political gatherings in Korea. When half a dozen Koreans take a walk together outside the South Gate they are certain to be shadowed by the police. Even a short paragraph in the newspapers regarding the private conduct of the Japanese is peremptorily suppressed by the Press Censors. This unfair treatment is strongly resented by the Koreans. The mouths of the people should not be muzzled. Even if the publication of a scandal can be suppressed in a newspaper, it is impossible to stop the transmission of

rumours from mouth to mouth. Every attempt at restriction gives rise to various exaggerated rumours. On the other hand, the Christian missionaries in Korea are too ready to listen to all sorts of complaints made by Koreans, which they transmit to their home countries. But it appears highly advisable to extend to the Koreans a certain freedom of political gatherings and to remove the restrictions on freedom of speech, in order that we may have an opportunity of listening to a straightforward expression of views and sentiments. We possess an army and police, and rule Korea in accordance with the principles of justice. Why can there be any necessity for suppressing speech among the Koreans? Let the Koreans express their views frankly and unreservedly so that we may understand their true feelings. If their views be based upon misunderstanding, we can rectify their erroneous notion. If any malicious slander be uttered, we can punish the offenders. If seditious statements be made to stir up agitation, we can suppress them. It is a disgrace to the dignity of a great Power to muzzle the mouths of people under its protection, and to prevent them from expressing their views. Moreover, the restriction placed on freedom of speech is likely to lead to a deplorable misunderstanding. The evils of relying on information given by Korean detectives must be rectified, otherwise it will be impossible to remove the causes of misunderstanding. Deeply deploring as we do the death of Prince Ito, we must fervently hope to see an improvement in Japan's Korean policy.

"The intelligent class of Koreans entertain a feeling of resentment against the Japanese officials because the latter regard them with suspicion. Suspecting the Koreans, the officials adopt an aloof-like attitude to them and do not take them into their confidence. Human nature knows no territorial boundaries. If the Japanese officials in Korea would consult the benefit of Korea, and treat the Koreans as their kinsmen, it would bring about harmonious relations which would go a long way towards solving all these knotty problems with comparative ease. The fair and frank attitude of Prince Ito was almost up to the ideal. Let his successor be still fairer and more frank towards the Koreans. Do not suspect the Koreans; then they will not suspect us. Such is the attitude becoming to the statesmen of rising Japan.

"Ancient history tells us that when Emperor Jimmu subjugated Chugoku, he appointed his former enemies as imperial guards. Such lenience and equity should be the attitude of a great country dealing with a small one. In all ages it is the men of stable character who are backward in coming into contact with the officials of a great country and who regard those of their country who vie with each other to curry favour among those in power with contempt. Unless we take the initiative in approaching the Koreans, the best men will not come in contact with us. Japan now poses as a benefactor to Korea. Why, then, should we stand aloof and listen only to those Koreans who angle for our favour?

"In some quarters the Koreans are denounced as a despicable, crafty, and villainous race, owing to the sad demise of Prince Ito. It is to be feared that such sentiments of strong indignation can only render harmony between the two nations impossible. Prince Ito was always ready to sacrifice his life. He would rather be misunderstood by the Koreans than regard them with suspicion. Humanity is one whole. Good men have no enemies. If we treat the Koreans with sincerity, the day will come when they will thoroughly understand us and appreciate our sincerity at its true value. We earnestly hope to see the day dawn when this nation will treat its neighbouring country with respect. May the precious blood of our hero not be shed in vain!"

The justice of Japanese proneness to regard the Koreans with lordly contempt as members of an inferior race is not at all borne out by those foreigners who have had the best opportunities of analysing the character and intellect of these people. So far is it from being the case that the Koreans are inferior to the Japanese in the above respects, that nearly every foreigner whom I have had occasion to question on the subject has emphatically given his verdict in favour of the Korean as against the Japanese. As a linguist the Korean is so immeasurably superior to his conqueror that the latter has not even what the Americans call a "look-in." One of the most impressive illustrations of this superiority was furnished during the second Bethell case at Seoul, when two Court interpreters, a Japanese and a Korean, were

present for the purpose of translating the evidence from Japanese and Korean respectively into English. The Japanese interpeter was an official of the Residency-General, holding an American university degree, whereas the Korean, a pale and slender youth, had no letters to his name. But the contrast was decidedly in favour of the Korean. Speaking as a journalist upon whom it devolved at the time to make a verbatim note of all that passed, I can affirm that the language used by the Korean was of the choicest description, such as few Englishmen could have improved upon, and all I had to do was to take it down as uttered and transcribe it word for word without the smallest alteration. On the other hand, the interpretation of the Japanese university graduate, albeit sufficiently good, had to be edited in the course of transcription. We may admit that the intellect is not everything and that other characteristics are necessary before a claim to superiority could be substantiated. Even so, the consensus of evidence by foreigners on the spot is decidedly flattering to what may be termed the "heart qualities" of the Koreans—that subtle trait which is so aptly defined by the Russians as "sympathy." When the late Ernest T. Bethell was being tried at Seoul in the English Consular Court on the charge of publishing seditious matter calculated to create enmity between the Korean Government and its subjects, the defendant's Korean friends, who were counted by thousands, raised almost an equal number of dollars and were waiting outside the court-room with the money

in the hope of being able to bail the defendant, though as it turned out the latter could not avail himself of their generosity. These men were equally prepared to fall upon the English Court officials, who were not in great strength, and rescue the prisoner, and an attempt of this kind would undoubtedly have been made had not Mr. Bethell himself verbally intimated from the veranda of the court-room, that his friends could better serve him by refraining from interference. Even that much-abused person, the old ex-Emperor, has the saving grace of gratitude, and despite the vigilance of his Japanese jailers, on Mr. Bethell's death and the departure of Mrs. Bethell from Korea, succeeded in conveying to her a practical memento of his appreciation of the loyal services of his English ally.

But there is still other testimony available whereby we can form our own conclusions regarding the justice of Japanese depreciation of the Koreans. In the Russian colonies of East Siberia, the Maritime and Amur Provinces, are many thousands of Koreans, who gladly substitute the ægis of the Muscovite for the "protectorate" of Japan. Seeing that these Koreans enter into competition with the Russians themselves in the lower ranks of labour, we may confidently look to Russian sources for an estimate of Korean character not at all likely to be unduly biassed in its favour. What do we find? I am a diligent reader of the East Siberian Press and have frequently made notes of expressions of opinion highly appreciative of the virtues of the Korean as a colonist

and worker. Here I will quote the views of one I. Bounakoff who, writing in the columns of the *Dalny Vostok* on this theme, says: "By their character and the political situation of their country the Koreans are the sole representatives of the yellow race who are disposed to become loyal Russian subjects and to love Russia as their new fatherland, although among the lower classes they retain their religion, language, and customs. This last circumstance gives rise to the erroneous idea that they are not capable of merging with the Russians into a single people devoted to their new country. Hundreds of Koreans, passing through Russian schools, seminaries, etc., are being wholly transformed into Russian citizens. They work in Russian firms and as teachers in public schools. They are also met with in various kinds of Government institutions in the capacity of clerks and minor officials. It is worthy of note that the Koreans who migrate with their families into the Russian colonies show great partiality for Russian schools. In the Pokrovsk *volost* where, there are several Korean villages, more than fifty Korean boys have been sent to schools at Vladivostok, Khabarovsk, and Nikolsk-Ussurisky, where two have already finished their education in the gymnasiums and proceeded to Russia to enter the university. Nearly all the children of Koreans settled in the country, born here or brought here while still very young, speak Russian. The Koreans are distinguished by their efforts, as far as their means allow, to live in Russian style and generally strive to resemble Europeans.

Not one of the nationalities alien to us in the Amur region shows so sincere a disposition to Russia as do the Koreans, and in every case, with their aims and sympathies, they are far more competent to become Russians than even the German colonists in the south of Russia and the Volga governments.

"Of late the Koreans have been driven into our country not so much by need or the desire for work as by the arbitrary administration in their own land. At the present time unwillingness to be reconciled to the rule of the Japanese constitutes the chief factor in their movement towards Russian territory. The circumstance that they are ever more and more imbued with irreconcilable hostility to the Japanese should make the Koreans preferable to all other nationalities of the yellow race as a labour element in this country. They come here not for temporary gain, but with the intention of settling firmly and for ever, and consequently bring their families with them. Rumours are current that at the time of the Russo-Japanese War, Japanese spies were met among the Koreans. But such facts were never carefully verified; and they are moreover refuted by the details which we have adduced as to the partiality of the Koreans for Russia. There are partisans of the Japanese régime in Korea among the Koreans. It has happened that born Russian citizens from among the Jews have been spies. The successes of the Japanese in the late war gave joy to dozens of Russian progressives. Under such conditions even now several Russians are ready to throw themselves into

the arms of foreigners or Japanese. But all these facts do not prevent them from being Russian citizens. Taking into consideration, on the one hand, the urgent necessity of settling the country and of developing in it various kinds of industry and agriculture, and, on the other, the extreme difficulty of accomplishing that object in the near future, to a sufficient extent, with a Russian population, in view of the existence of portions of Siberia nearer to European Russia still vacant and more suitable for Russian settlement, we deem it indispensable to give preference to the Koreans over all other representatives of the yellow races, and to grant them free access to our borders. To this end we ought to facilitate the process of naturalization in their favour, seeing that they are especially inclined to this at the present time. And as far as possible these Korean Russian subjects should be placed on terms of equality with the Russian population of the region in all the rights and obligations of citizenship. This will help us to make choice of the Koreans well disposed and hostile to us (Japanophils). Among those who enter this country there are comparatively few of the latter; they are closely watched and despised by the Koreans themselves. Thus, if before the inclusion of new arrivals as Russian subjects the Koreans already settled in the country are referred to for judgment, not a single Korean Japanophil will be allowed to pass unnoticed or be granted naturalization. We have not the slightest doubt that all those Koreans who have long been settled in the country, as well as the

thousands who come here under the influence of hatred for the Japanese dominion in Korea, are so loyal to Russia that, in the event of a warlike collision with anybody, they would serve Russian interests with entire energy and devotion."

From the foregoing it is clear that there is nothing in Korean character intrinsically incompatible with the highest duties of good citizenship, and if the Japanese are unable to rule the Koreans, we must perforce conclude that this is because the Japanese themselves are lacking in some of the more enduring and useful qualities of constructive statesmanship. As yet, nevertheless, such a conclusion would be wholly premature.

CHAPTER XXII

JAPAN AT HOME.

Japan's Vulnerable Points—Acquisition of Huge War Indemnity Might Have Encouraged Aggression—The Lesson of the War—The *Post-bellum* Boom—The *Post-bellum* Slump—Wild-cat Speculation and Company Promotion—Face to Face with Facts—Some Eloquent Figures—The Task of the Japanese Financier—Growth of Naval and Military Expenditures, of the National Debt, and of Taxation—The Military and Naval Programmes—Growing Popular Opposition—Attitude of Japanese Business Men—Real Greatness of a Nation—The Policy of Railway Nationalization—The War Taxes in Detail—Putting up the Tariff—The Latest Revision—The Sinking-fund—The Current National Debt—The Burden *Per Capita*—The Cry for State-aid—The Policy of Monopoly—State Investment—Its Results—How It Affects the Railways—Red-tape—Attempt to Reduce Taxation—Some Amelioration Effected—The Japan Peace Society—Moral Aftermath of the War—Robberies, Murders, and Suicides—The New Penal Code—Commercial Scandals—Corruption in High Places—The Sugar Scandal—Attitude of the Courts—Criticism of Judgment—The Status of the Japanese Judiciary—An Expert's Opinion—Press Criticism of the Army since the War—Allegations of Corruption—The Compressol Case—An Official Remonstrance on Lax Commercial Morality—Review of Economic Situation—Prospects for Foreign Capital Becoming Brighter—Whilom Government Attitude not Popular—The Grant of Land-ownership to Foreigners—Text of the New Law.

The fear of Japan on the mainland is greatest among those who know least about Japan at home. In Manchuria people see only evidences of her might, economic and strategic; in Japan Proper none realize more keenly than the Japanese themselves that Achilles has a vulnerable heel. To vary the simile, an engine, however externally imposing, cannot act without motive power, and if the track is untrue, both the locomotive and the train behind it may come to utter grief.

GENERAL MARQUIS KATSURA, PRIME MINISTER OF JAPAN.

Had Japan obtained a huge war indemnity, as she certainly expected to do, there might have existed tangible ground for Western fears of further continental aggression, since with the aid of an indemnity Japan could more speedily have recuperated her disorganized finances and at the same time have enjoyed the full benefits accruing from her favoured geographical position and nearly complete control of the economic factors in South Manchuria and Korea. An indemnity might even have had the additional effect of fostering the belief that war is financially profitable, and in the absence of concrete evidences of disastrous reaction in the shape of a crushing burden of new taxation and trade depression, the nation as a whole might readily have been persuaded to share this belief. It may be that the world thus owes to Russia more than it realized for her irrevocable decision not to oblige Japan in this regard. As it is, the Japanese people have had brought home to them with unexampled force the truth—which should have been obvious from the first—that no country, however wealthy, can hope almost to quadruple its indebtedness within a twelvemonth and to experience in the end nothing but boundless prosperity. Yet there were not wanting during the early stages of the *post-bellum* period publicists, both foreign and Japanese, who preached the doctrine that war is good for trade and who saw unmistakable proof of the truth of their words in the unprecedented commercial and industrial boom which lasted long enough to intensify the gloom of the inevitable revulsion, which has now set in. Profound faith

in Japanese invincibility seemed to extend itself from the martial to the economic sphere. The rage for company promotion beggars description. From the close of the war to the time of writing the capitalization of new concerns and the expansion of the capital of those already existing represent nearly two thousand million yen. The flood was at its height in 1906, when new capitalization exceeded a thousand million yen. Of course only a fractional part of this amount was ever paid up, and already, early in 1907, the tide had begun to ebb. The slump on the stock market will never be forgotten by those who witnessed it. The fall involved thousands in ruin and not infrequently in disgrace. Newly-organized companies were dissolved in rapid succession ; others were forced to cut down their capital, and in many instances calls on shares had to be postponed. Needless to say, these things could not occur without reacting strongly upon the labour market. The slump on the stock-market affected both the speculator and the *bona fide* investor. The latter might in some cases have been well advised to cling to his scrip and wait for at least partial recovery, which would have been bound to come in time, but the majority took fright and sold out at heavy losses. On the other hand, the collapse of new commercial and industrial enterprises, some of which had actually begun operations, threw thousands of the common people out of employment and helped to make the suffering almost universal. When the fever and delirium had disappeared, the nation found itself face to face with the cold, unfeeling fact that there had been

directly expended on the luxury of war the sum of Yen 1,500,000,000, in round figures, and that the National Debt as a whole had been increased from Yen 561,569,751 in 1904 to Yen 2,250,306,000 in 1909. The ordinary and extraordinary expenditures of the country had risen from Yen 249,596,131 for the 1903-4 financial year to Yen 619,797,671 for 1908-9, and though the financial experts of the Empire have striven desperately to make the revenues balance these expenditures, in few cases since the war could a substantial deficit have been avoided without the inclusion in the extraordinary revenue of items which, properly speaking, are not assets at all but debts which will have to be liquidated. In 1907-8, for example, we find the sum of a hundred million yen, transferred from the special account for extraordinary war expenses, represented as an item of extraordinary revenue, though palpably this is made up of borrowed money; similarly "receipts from the issue of public loans," (Yen 73,925,171 in 1905-06, Yen 15,508,259 in 1906-7, Yen 31,256,180 in 1907-8, and Yen 41,071,116 in 1908-9); "temporary loans" (Yen 2,000,000 in 1907-8 and Yen 1,766,000 in 1908-9); and "sums transferred from warships and torpedo-boats replenishment fund" (exceeding ten million yen in 1907-8 and 1908-9) have all had to be counted among extraordinary revenues in order to balance the ordinary and extraordinary expenditures since 1907. It is also noteworthy that, with the exception of 1903-4, extraordinary expenditures since 1899 have never been less than a hundred million yen annually and

have averaged nearly two hundred million yen during the last four years, while for the 1910-11 fiscal year, they are estimated at Yen 113,000,000 odd, so that they might with more show of justice be regarded as quite normal by this time.

The worst of it is that the war, so far from having relieved Japan from any part of the burden which was ostensibly entailed by the ever-present need of guarding the country against Russian aggression, has committed her for the time being to the policy of continuous naval and military expansion, in spite of the claim that it achieved its object by destroying the Muscovite menace and ensuring the integrity of Japanese borders. While the war was still in progress, the number of Army divisions was increased from twelve to sixteen, exclusive of the Guards Division, and since then it has been expanded to nineteen divisions, the Guards inclusive. It is estimated that in consequence of this expansion and the adoption of the two-year conscription system, Japan will be able to put a million men into the field in time of war. The outlay involved comes to one hundred and seventy million yen, in round figures, spread over eleven years (from 1907 to 1918). Turning to the Navy, we find that the nation is saddled with three, so to speak, overlapping expansion programmes. These include (1) the third programme since the creation of the modern Japanese Navy, which was passed by the Diet in 1903 and authorizes an expenditure of ninety-nine million yen spread over twelve years, *i.e.*, till 1915; (2) the programme elaborated during

GENERAL BARON TERAUCHI, JAPANESE MINISTER OF WAR.

the Russo-Japanese War, the outlay on account of which is one hundred and twenty-three million yen, spread over seven years, ending 1913-14 fiscal year; and (3) the programme voted by the Diet during the 1906-7 session, amounting to seventy-six million yen in round figures, also spread over seven years and payable in annual appropriations of ten million yen in round figures. It is proposed to complete the entire plan by 1916, and it is not yet known whether or not the naval authorities will adopt a specific fourth or fifth naval programme thereafter.

Side by side with these special military and naval expansion programmes, the ordinary expenditures on the two arms of the service have shown a corresponding increase. Whereas, for example, for the fiscal year 1903-4, the ordinary expenditures on the Army were only thirty-nine million yen in round figures, for the fiscal year 1906-7 they had expanded to fifty million yen; for the 1907-8 fiscal year to fifty-three million yen; for the 1908-9 fiscal year to seventy million yen; for 1909-10 to seventy-two million yen; and for 1910-11 to seventy-six million yen. Similarly the Navy shows an increase from twenty-one million yen for 1903-4 to twenty-eight million yen for 1906-7; thirty-three million yen for 1907-8; thirty-four million yen for 1908-9; thirty-five million yen for 1909-10; and thirty-eight million yen for 1910-11.

It has been pointed out that the national resources do not warrant the maintenance of the large military and naval forces now at the disposal of the Government. The Japanese as a people are not destitute of

a certain amount of common sense, and already there are signs of a universal awakening to the fact that the country cannot be allowed to remain for all time a prey to rampant militarism. I feel sure that, in the long run, the authorities will be compelled to curtail this branch of expenditure, or at least to regulate State outlays more carefully than has been the case in the past. The military power in Japan has for many years been in the ascendant, and is even now very strong, but the reason why it has been able to obtain this widespread influence may be found in the fact that in former days the Japanese were a nation of fighters, commerce being looked down upon by every self-respecting *samurai* as something beneath contempt. The merchant of Japan, in the proper sense of the term, is a product of recent years, and still occupies a position inferior to that of the merchant in other countries. The Japanese, however, are rapidly beginning to realize that a nation's greatness depends upon the productive power of its people, and the business men of the country have already set their face against the policy of sacrificing everything on the altar of martial glory and ambition. It is therefore almost certain that every succeeding year will witness a change for the better in the economic situation of the Empire, and that the representatives of industry and commerce will in course of time assume practical control of the political world. In the circumstances, there should be no doubts and fears on the part of the foreign capitalist with respect to the ability of Japan to fulfil her financial obligations.

COUNT KOMURA, JAPANESE MINISTER FOR FOREIGN AFFAIRS.

Not content with these huge additions to its responsibilities, the Government must needs go out of its way to heighten the burden on the taxpayer by rushing into the policy of railway nationalization, the purchase price of the private lines being in round figures four hundred and eighty million yen. Some idea of the economic and financial straits of the country may be derived from the fact that, in order not to disorganize the money market, the Government was obliged to stipulate for the postponement of the bond issue on this account for five years, during which period it paid merely interest to the shareholders. The railway debentures are redeemable in thirty-two years. Significant, too, is the position with respect to taxation. War taxes were twice imposed, and though a specific Ministerial promise was given to the Diet that they would be annulled after the war, they were first extended four years and then made permanent during the twenty-third session of the Diet. The income-tax was raised by a minimum of 100 per cent. and a maximum of 270 per cent. of the ordinary rate; the land-tax was raised from 2½ per cent. of the assessed value of the land to rates ranging from three per cent., to 17.5 per cent., according to the class of land; the business-tax was increased 150 per cent., and incomes of juridical persons were increased by from 80 to 400 per cent. of the so-called normal rate. Several other taxes were raised correspondingly. The war also led to the increase of Customs duties, and under the last Revised Tariff, which came into force in 1906,

the average import duty exceeds fifteen per cent. These figures would be greater were it not for the automatic operation of the Conventional Tariffs which will shortly cease and determine. Probably before these lines get into print the Tariff will again have been revised in an upward direction, and Japan's *de facto* recovery of tariff autonomy with the termination of the existing Treaties in 1911 will, from all the present indications, spell a policy of protection *in excelsis*.* Those who talk glibly about the bellicose intentions of Japan and her secret resolve to make war, sometimes against the United States, sometimes against Russia, according to individual fancy, have assuredly never taken the trouble to examine the figures and to calculate exactly how much in pounds sterling Japan is under obligation to redeem of her external and domestic loans during the next few decades. Still less compatible with a deliberately warlike policy was the action of the Diet in 1906, when a law was promulgated according to which the Government has to set apart annually a sum of not less than Yen 110,000,000 towards the Sinking, or Amortization Fund, and although it has not always been possible to comply literally with this law, the very latest figures

* In spite of the fact that a large proportion of imports has hitherto been protected by the Conventional Tariffs, as above indicated, the average rate of duty has steadily risen. In 1905 it was 11.66 per cent. of the value of all dutiable goods imported; by 1906 the proportion had increased to 14.66; by 1907 to 15.28; by 1908 to 15.93; and in 1909 it was 15.98. It is estimated that if the Tariff Bill before the Diet at the time of writing should become law, it will effect an average increase of 15 per cent. on the figures above cited, which means that the average rate of duty will fall not far short of 25 per cent. of the value of goods imported.

available at the time of writing show conclusively that the Government fully realizes the necessity of maintaining the national credit at home and abroad by adherence at least to the principle of reducing the National Debt. The sum of more than a hundred and fifty million yen was assigned for this purpose in the Budget of 1910-11. Hitherto, however, the greater part of these appropriations has been required to pay interest on the bonds, and as it has been impossible to avoid fresh loans, the debt of the country has steadily increased since the war, in spite of the Sinking Fund and new taxation. When the redemption scheme was adopted in 1906, the National Debt stood at Yen 1,872,000,000; at the end of the following year it reached Yen 2,217,000,000; a year later it was Yen 2,276,000,000 while the total at the begining of 1910 was Yen 2,606,282,321.* This substantial increase is partially accounted for by the conversion into bonds of the shares of the purchased railways, and if official expectations of a minimum revenue of fifty million yen from the nationalized lines are vindicated, this accretion will not be wholly unprofitable from a purely fiscal standpoint, but the balance of unremunerative debt is still formidable.

Besides these essentially imperial burdens, the people of Japan are saddled with prefectural, city, and

* It may be accepted as a premonitory symptom of a decided change for the better in Japan's economic position since the war, that it was possible recently for the Government to conclude an arrangement with a syndicate of Japanese bankers, whereby the latter undertook to issue new 4 per cent. bonds to the amount of ¥100,000,000 for the conversion of the same amount of 5 per cent. domestic bonds. The minimum issue price was 95, and the bonds are redeemable in 50 years after outstanding for ten years.

village taxes and debts which give no indication of declining. Prefectural taxes may be roughly estimated at Yen 70,000,000; city and village taxes at Yen 90,000,000, and prefectural, city, and village debts at Yen 80,000,000. The *per capita* burden of the Japanese people each year since 1899 is given as follows by a leading Japanese paper :—

	TAX Yen.	NATIONAL DEBT Yen.
1899	4.95	12.00
1900	5.36	12.18
1901	5.73	12.49
1902	6.12	13.09
1903	6.25	13.44
1904	7.04	22.35
1905	8.60	45.45
1906	9.62	47.75
1907	9.76	48.93
1908	10.82	49.20
1909	10.95	45.36

Lumping the two categories, it will be seen that the total burden of each individual, which was Yen 16.95 in 1899, rose to Yen 60.02 in 1908, an increase of Yen 43.07 in ten years. On the other side of the account, of course, must not be overlooked the important fact that, concurrently with this increase of taxation, there has been witnessed a steady appreciation in the price of labour, though this factor again has to a considerable degree been offset by the rise in the price of nearly all necessaries of life since 1903, with the exception of rice and a few others. In this latter context, unfortunately, it appears almost hopeless to look for any amelioration, the Government

displaying a growing determination to circumscribe the area of private enterprise by means of monopolies and State activities which have the pernicious effect of stifling individual initiative and fostering a national spirit which tempts people to solicit State-aid, direct and indirect, on the smallest provocation, all along the line. To what lengths of absurdity this incessant looking to the Government can carry the individual will appear from the solemn recommendation of a certain Tokyo daily that State-aid should be granted for prospecting for—cod-fish! Comment would be superfluous. Nothing, however, will convince Japanese economists—those, at least, who have an influential voice in the direction of the policy of the country—that it is not well for the Japanese people to pay twice, thrice, and four times as much for the pride and glory of eating home-made salt and sugar, to mention but two highly-important staples, in preference to availing themselves of the infinitely cheaper and better foreign products, including such a luxury as tobacco, which is taxed up to 250 per cent. A few facts illustrative of the rapid growth of State participation in activities which in England and the United States are regarded as the legitimate field of private enterprise, may prove instructive. In the early days of Meiji the object of State undertakings was less that of raising revenue than that of setting a good example or, it may be, one of simple administrative expediency. Later on, however, the Government's point of view seems to have undergone distention, and the Tobacco Monopoly, established

in 1898, is usually classed as the first undertaking inspired solely by fiscal considerations.

The Camphor Monopoly was adopted in the same year for the purpose of protecting the industry in Formosa. After the war with Russia the Tobacco Monopoly was further expanded to cover the manufacture of cigarettes, cigars, and cut tobacco. The Salt Monopoly followed in 1905. All three monopolies are under the control of a single Bureau of the Treasury. I have referred elsewhere to the nationalization of the private railways and the Government monopoly of telephones. The Wakamatsu Steel Foundry, established in 1895, was a financial failure from the first, and as against an investment of Yen 37,000,000 (say £3,700,000) the annual loss still approximates about one million five hundred thousand yen. Statistics for 1907-8 show that the total State investments represented five hundred and forty-seven million yen in round figures, which yielded a revenue of a hundred and forty-one million yen in round figures, while the addition of the nationalized railways brings the total State investments up to more than a thousand million yen. As already intimated, the net result is not at all reassuring. In the case of salt, for example, the monopoly, so far from having achieved one of its ostensible objects, *i.e.*, augmenting production and export, has so far succeeded in reducing the domestic output and augmenting import, while at the same time the cost to the consumer has been trebled. The less said about the Tobacco Monopoly the better for the sensitive reader, since from the standpoint of those

ADMIRAL COUNT TOGO.

who enjoy a good pipe or cigar, nothing good can be said about it. As for the Telephone Bureau, when I state that it is a hissing and a byword among both foreigners and Japanese, perhaps I have done enough, but it may contribute to a fuller understanding of the enormities of which this department is guilty when it is added that should some optimistic citizen be so misguided as to apply through the routine channels for a telephone, instead of buying one through some broker for thirty or forty pounds, then he may deem himself lucky if he gets what he wants after waiting for three or four years, incredible as the statement may appear. The record of the Railway Board (*Tetsudō-in*) since it assumed entire charge of the lines has been very little better. The sum total—with rare exceptions—has been bigger running expenses and a poorer service. Probably the very best railway in Japan used to be the privately-managed Sanyo line from Kobe to Shimonoseki. Now that this, too, has fallen into official clutches it has been promptly degraded to the average level of something a few grades below mediocrity. It is characteristic of the mentality of officialdom that, while passengers are often condemned to travel in coaches which in America would have been relegated to the junk-heap long ago, time, energy, and expense can be devoted to the task of elaborating new uniforms for the employees and providing military caps and swords for station-masters. It should be interesting to watch whether, in the near future, in order still further to enhance the dignity that doth hedge a station-master,

these officials will not be required to give their orders mounted on horseback at the various stations! Seriously, however, there is another side to this question which ought not to be overlooked, and that is, whether, after all, on the average, the service has not gained somewhat in certain respects, even though in detail it may appear to have suffered, and whether, too, this qualified improvement may not continue in the future? For instance, before the nationalization of the railways had been effected, the Hokkaido Steamship & Colliery Company had the monopoly of carrying coal in Hokkaido, the result being that all other coal-mines were discriminated against in favour of the Company's own coal; whereas, since the nationalization of the lines, the rates have been equalized for all-comers. Under Government ownership, at least, a system of uniform freight rates can be adopted on all the nationalized lines, and, moreover, the Government can build roads to open up the remoter districts of the country, which might long have remained inaccessible had the matter been left permanently in the hands of private enterprise which necessarily would not venture to build without satisfactory assurance of substantial profit. Another incidental benefit accruing from State-ownership is that the time schedules can be more effectively regulated so that connections are facilitated. Perhaps it would be to the advantage of the railways and the public if the official colouring of the management could be toned down and the system run on the lines of an ordinary private concern. On the assumption that such a system is feasible, a certain

ADMIRAL BARON SAITO, JAPANESE MINISTER OF THE NAVY.

amount of capital would be set aside for the Railway Board, and all dividends earned would be paid to the Government; but before such payment took place, it would seem to be just and equitable that the employees concerned should receive a certain bonus on the result of the year's working. For example, let us suppose that the railways as a capitalized concern paid four per cent., then the officials and employees would be entitled to a proportionate bonus; whereas, if they were in a position to pay six or seven per cent. on the capital, then the employees would receive a larger bonus *pro rata*. In this way a decided stimulus would be given to conscientious work, which is entirely lacking so long as the employees get no more than their bare pay, which, it should be added, is bare enough in all conscience. As things stand, there is no incentive to economic management of the lines. Everybody's business is nobody's business, as a general rule, and it has been officially admitted that the State has to pay more for all its railway supplies than was the case under private control, when a large body of shareholders had to be placated. Of course the true motive underlying railway nationalization in Japan was one of military expediency, because, with the lines under exclusive control of the Government, it must be very much easier to move large bodies of troops from one point to another. The doubt that obtrudes itself in this context is that, in order to please the military authorities, may not a tremendous amount of injury be inflicted upon the everyday trade and business of the country?

Reverting to the main theme, I would point to another symptom not at all in consonance with the secret and sinister resolves ascribed to Japan, viz., the effort of the Katsura administration to fulfil a long-outstanding pledge by reducing the burden of war taxation by ten million yen in the 1910-11 Budget. Is it to be supposed that all these factors would coincide with a policy of incorrigible aggression which would inevitably call for additional financial sacrifices and not their diminution? All these circumstances, I repeat, have evoked in the nation a lively consciousness of what war really means, when the tumult and the shouting die and the bill has to be footed.

As yet, however, although among the intellectual classes perfunctory acquiescence is given in the postulate that peace is better than war, there are fewer indications in Japan than in Europe or America of a growing body of public opinion in favour of the former. True, there is in Japan a so-called Peace Society, but seeing that hitherto the tenor of virtually all the speeches delivered at its meetings has been that every war waged to date by Japan was inevitable, and that no responsibility attaches to Japan for these breaches of the peace, it can hardly be said that this organization holds out any very great promise of playing an important rôle in that movement which aims at the creation of "a parliament of man, a federation of the world." Count Okuma's address on the occasion of a recent gathering of the above society was more cynical than convincing or optimistic. He seemed to take a grim delight in emphasizing

COUNT OKUMA, FOUNDER OF PROGRESSIST PARTY.

the coincidence between international peace conferences and the outbreak of devastating war. Count Okuma cannot be blamed for holding such views, but the points he brought out appeared weirdly at variance with the order-of-the-day at a peace reunion, and scarcely calculated to engender a spirit of hopefulness in his hearers. In the same vein he dwelt upon the fact that the West still despised the individual Japanese as an Oriental, whatever respect might be paid to Japan as a nation, and that for centuries the East had been under pressure from the West. Nobody can gainsay the truth of these contentions, but if the peace movement is to be effective it must be cosmopolitan, and in the best spirit of cosmopolitanism it will have to be admitted as an axiom that it requires two to make a quarrel. In other words, the pharasaical attitude which merely confirms the popular conviction that Japan has always been in the right and the other party always in the wrong, must be abandoned if the so-called peace movement is to have any efficacy whatsoever; it may be necessary for the Government of the country to assume such an attitude, in which respect the Government of Japan is by no means singular, but an unofficial movement ought to be able to judge conditions with a clearer vision.

Thinking Japanese are, nevertheless, alive to the fact that the pernicious consequences of the war are not confined to a balance-sheet expressed in yen and sen. The statistics of crime and suicide have increased enormously since the war. So appalling, indeed,

has been the growth of suicide, especially among young people, that the newspapers have of late abstained from publishing the figures in detail. The latest available statement on this head, however, showed that eleven thousand odd persons of both sexes had committed suicide during a single year. A simple calculation is sufficient to confirm the grave nature of this phenomenon. The figures mean that for every day in the year there were more than thirty deaths from this cause, on a average, or more than one death for every hour of the day. A favourite spot for would-be suicides was the Kegon waterfall at Nikko, over which they were in the habit of throwing themselves with such ominous frequency that in the end it became necessary to establish a special police-box near the top of the fall, where a policeman is constantly in attendance to prevent these tragedies. Burglaries are an everyday occurrence. In Tokyo alone during 1908 the criminal statistics give 47 murders, 69 burglaries with violence, 26,312 thefts, 11 frauds, 61 cases of incendiarism, four forgeries of banknotes, and 3,451 unclassified offences, making a grand total of 32,313 as against a population of 1,468,063. Some Japanese publicists do not hesitate to attribute the increase of violent crimes to the contempt for human life engendered and developed by the war. Others argue differently. Dr. Hanai Takuzo, a noted jurist, writing in the Japanese monthly, the *Taiyō*, on the spirit of the new Penal Code, frames, for example, a serious indictment against the average Japanese judge in the foregoing context. As translated by Mr. Walter

Dening in his admirable monthly summary of Japanese literature, published in *The Japan Mail*, some of Dr. Takuzo's remarks are as follows:—

"No country is proud of the number of its criminals. Where is there a country that like Japan has slightly over ten criminals to every ten thousand of its population? Taking England, Germany, and France, the ratio per ten thousand inhabitants is as follows:—England 4.5, Germany 4.7, France 7.9. In Japan hitherto prisons have been provided for the accommodation of 57,000 prisoners, and the number of persons incarcerated has never before last year (1909) exceeded that estimate. But last year the number of persons under detention stood at 67,000. Looking at the number of persons found guilty and undergoing imprisonment, we find that they were 57,000 in 1909, compared with 47,000 in 1908. This shows what the result of one year's administration of the Penal Code has been. The responsibility for what has occurred lies with the judges only and not with the Department of Justice, as some ill-informed people suppose. Though the Department of Justice has warned judges against passing lenient sentences on habitual criminals, on the men and women who make crime their profession, it has never encouraged in any way the passing of severe sentences for first offences. The persons who commit these offences in numerous cases become penitent and never offend again. Their punishment should be made as light as possible. That the amount of crime in this country has been diminished by the heavy punishment

meted out by our judges during the past year or more is not true. Our judges have yet to learn that punishment should be so apportioned as to make it unnecessary. Penal law is not designed to destroy human life, but to preserve it. Undue severity defeats its own end." In another place this writer says: "The judges who have had all this power and liberty conferred on them have shown that they do not know how to use it."

Again, amid the chaos of shady revelations which has been a feature of the *post-bellum* debacle, civic and economic dishonesty and corruption are rampant. During the great struggle the West heard a good deal—far too much, in fact,—about the cult of *Bushidō* and what it stood for in the life of every Japanese, making for the attainment of lofty ideals, in both public and private spheres. It was indeed amusing and exasperating for the foreign resident of Japan to read the laborious sermons and philippics of learned pundits in the home country, whose object in almost every case was to demonstrate how incomparably higher on the ethical plane than the degenerate and effete Occidental stood Japan and the Japanese, thanks partly to the doctrines of *Bushidō* and partly to the Imperial Rescript on Education. It is scarcely too much to say that had either of these things existed in Russia, the same pundits would have been equally competent to prove that therein might be found the root of Russian ineptitude and Russian disaster. The fact is that before Dr. Nitobe wrote his specious bit of ingenious special pleading little was heard in Japan

itself about this very *Bushidō*. Since the war, more particularly, it has been and continues to be realized the *Bushidō* is more in harmony with shock tactics than the counting-house and the *soroban*. The Japanese is not at all singular in that it is easier for him to pose in the limelight and "sacrifice his life for the sake of his country," as every new recruit was diligently taught to say during the war, than to do good by stealth and blush to find it fame. The *post-bellum* period has thus been marked by a perfect epidemic of commercial, industrial, and administrative scandals which is reacting disastrously upon the economic prosperity of the country as a whole. Disreputable disclosures in connection with some of the largest and previously well-considered concerns in Japan have so rudely shaken public confidence in the honesty of Japanese company management, that the investment market has been temporarily paralysed, the majority preferring to hoard their savings in the better-class banks.

One of the most colossal of recent examples of utter corruption in high commercial places is that of the Dai Nippon Sugar Company, a concern whose shares and debentures had till the exposure been everywhere regarded as gilt-edged, so much so, in fact, that the English Ambassador was himself largely interested and doomed to suffer with the rest when the crash came. So intricate were the ramifications of this *cause célèbre* that many members of the Diet became involved in charges of accepting bribes from the Company in order to favour legislation

deemed likely to benefit the latter. Japanese members of the Diet have never enjoyed a very high reputation for integrity or ability, but none the less these revelations of moral turpitude among the nation's representatives undoubtedly shocked public opinion, while the manner in which the directors and auditors of the Sugar Company had juggled with the funds and falsified the balance-sheets to cover up their crimes led to an agitation for some reform of the Commercial Code with a view to rendering offences of this description less easy of perpetration in the future. A tragic outcome of this case was the suicide of a former President, a Mr. Sako, on whose behalf popular sympathy was strongly enlisted, owing to the high private character of the deceased and the fact that suicide in Japan is still regarded by many as an honourable exit from an impossible situation. Another distinctive aspect of the case is the attitude of the Japanese Court towards the criminals. This can only be properly described as more sympathetic than denunciatory. Counsel for the defence raised the plea that the offences charged had all been committed, not with selfish or personal motives, but simply and solely for the benefit of the shareholders. The managing director and his accomplices were likened to the captain and officers of a ship threatened with disaster, in which circumstances the most valuable cargo may be jettisoned and any means resorted to in order to bring the vessel to a haven of safety. The Government was even denounced as partly responsible for the

BARON Y. SHIBUSAWA, NOTED JAPANESE FINANCIER.

conduct of the accused, inasmuch as the losses of the Company were said to be in large measure due to the competition of Formosan sugar which, the accused averred, had been assisted by the unlawful connivance of the Government at evasions of the excise. The sentences passed by the Court were disgracefully disproportionate to the nature of the crimes committed. The maximum term of imprisonment inflicted was four years, and in the case of several, execution of the sentence was postponed for a number of years. In effect, the accused were exculpated from any moral delinquency. Legally they were guilty, but, in the words of the judgment, "the accused had been forced to resort to such practices by the attendant circumstances and in order to develop their Company, and no selfish motive could be found to exist in their actions, so that extenuating circumstances should be found in their favour." And yet the Court itself was forced to find that all the accused had acted beyond the limits of the authority vested in a board of directors by irregularly drawing Yen 850,000 from the sum reserved for tax in arrear and using the sum to pay a dividend; by devoting a large portion of the Company's funds to bribing members of the Diet in order to influence legislation in the Company's favour; by issuing cheques and promissory notes and falsifying the books generally. It is assuredly typical that grounds for commutation of punishment could be detected by the judges in conjunction with the foregoing actions. Small wonder that when the principal accused heard the sentence he exclaimed: "I feel

much relieved! It is indeed an excellent and a reasonable judgment!"

The reasoning of the Court in this case may be accepted as illustrative of a certain phase of Japanese mentality which asserted itself some time ago in another case, when the murderer of Professor Mayeda escaped the death penalty because he urged in justification that he believed his victim to have been a Russian spy. Still further back, Iba Sotaro, who slew the celebrated Japanese political "boss," Hoshi Toru, was sentenced to imprisonment only because his motive was recognized as being purely disinterested. The principle may be an excellent one within limits, but so far judicial indulgence does not appear to have exercised a very deterrent effect upon the evildoer.

The truth of the matter is that the personnel of the Japanese judiciary leaves a great deal to be desired, and until the prizes open to the legal profession are made much more alluring, it is too much to expect any radical change for the better. In Japan it is the custom for the judge to look to his incumbency rather as an introduction to the loftier status of a barrister than as the desirable goal of his ambition. Quite a large proportion of the leading Japanese barristers began their career as judges, and were glad to resign at the earliest opportunity. This practice scarcely tends to enhance the Bar's respect for the Bench, seeing that the judge is usually a man of far less legal experience than the lawyer who is arguing before him. The highest position to which members of the legal profession in Japan can possibly

aspire is that of President of the Supreme Court (*Daishin-in-Chō*), with a salary of about Yen 5,000 (say £500) per annum. When we contrast this pittance—in view of the importance of the office—with the £15,000 or so enjoyed by a Lord Chief Justice of England, we begin to understand why men of distinguished abilities are rarely found upon the Japanese Bench. The average salary for a judge of a district court (*Chihō Saibansho*) is not much more than £6 a month! Thus, even when due allowance has been made for the difference in the cost of living, the emoluments of Japanese judges are disgracefully inadequate.

Here again, however, I cannot leave this subject without giving due weight to the other side of the argument. And in order to do so I cannot possibly appeal to a higher authority than Mr. J. E. de Becker of Yokohama, one of the finest of Japanese scholars and a recognized authority on all questions connected with Japanese law and legal practice. This well-known expert, in his *Annotated Civil Code of Japan*, which represents the concrete results of years of special study of the subject, writes :—

"From time to time I hear complaints relative to the judgments of the Japanese Civil Courts in foreign cases, but I am bound to testify that in the majority of these cases investigation has convinced me that the decisions were owing to technical causes, quite unavoidable under the circumstances.

Foreign suitors have often put themselves hopelessly in the wrong owing to (1) a misapprehension of the Japanese law, (2) omitting to adopt necessary legal precautions, and (3) their neglect to observe prescribed formalities. It is true that this state of things has arisen from want of knowledge, but in no country is ignorance of the law any valid excuse, because, by a necessary fiction, all are bound to know the provisions of the laws of the land in which they live, and a failure to study them is deemed to be a species of neglect.

Law, after all, is a hard, cold, and somewhat cruel science, and the Courts can hardly be expected to deal kindly and indulgently with a man who is not legally and technically in the right. The duty of a judge is to give judgments in accordance with the law, and under every code system the tendency is for interpretation to become rigid and inflexible. Unfortunately this occasionally results in the protection of smart knaves who have studied the terms of the legal art and are versed in its technicalities, while the honest unsophisticated suitor, with nothing but a really just cause and his common sense to rely upon, finds, to his chagrin, that it is quite possible to be, metaphorically speaking, robbed in open Court by a smiling but unscrupulous adversary who is an adept in the game of legal hocus-pocus, and who knows exactly how to take mean advantage of the text of the law.

That any suspicion should be entertained relative to the *bona fides* of the Imperial Courts is most unjust, for I am sure that the Japanese judges are, as a class, a body of eminently conscientious, upright, and trustworthy men, and am convinced that they are animated with a sincere desire to render justice in an impartial spirit; but when a crafty rogue has taken the precaution to keep to the windward of the law and to hedge himself safely in behind its provisions, while his straightforward, although blundering, adversary has neglected to study his legal position and has thus put himself in the wrong from a technical point of view, what can the judges do? They are bound to administer the law as it stands, and even Solomon in all his glory would have found himself handicapped under similar circumstances!

Given a just cause, a really sound legal position and satisfactory evidence, it is my opinion that no person, irrespective of race or nationality, need fear that he will be wilfully subjected to biassed treatment by the Japanese judges; but there is no doubt a tendency to construe laws rather more narrowly and strictly than in Great Britain and the United States; therefore it is unsafe to depend upon receiving the benefit of an ultra-literal interpretation. For this reason it is highly desirable for foreigners to make special efforts to obtain a good working knowledge of the principles of Japanese jurisprudence as applied to the concerns of everyday life."

It is typical of the mental and moral reaction which has begun to set in since the war, that the newspapers are no longer afraid to criticize the Army, which in the past has been regarded as something not far removed from the sacrosanct. It has been affirmed that in no other governmental department is corruption so extensive and deeply-rooted as in the War Department, and instances have been given by

MR. J. E. DE BECKER, A WELL-KNOWN JAPANESE SCHOLAR AND TRANSLATOR OF THE CODES.

the Board of Audit itself showing that this Department does not scruple to authorize unjust disbursements. For the 1907 fiscal year, for example, the Board of Audit enumerated no fewer than sixty items of improper appropriations, involving the expenditure of a million yen, and of this total the War Department was responsible for more than half, representing Yen 700,000, or nearly three-quarters of the entire amount. The Army is accused of seeking to obtain money without the consent of the Diet. The loot scandal in the wake of the Boxer affair is a matter of history, since in it were implicated several distinguished Generals, and though it was prudently shelved, one paper at least has not scrupled to assert that the proceeds of the sale of horse-shoe silver were at the time lying snugly on deposit in the Bank of Japan.

The clansmen of Satsuma and Choshiu are said to abuse their influence in military counsels. Four years ago, when the Cabinet was planning the *post-bellum* programme, the Army leaders insisted upon the creation of twenty-five divisions, and a serious crisis was almost precipitated by their attitude. In the long run nineteen divisions were decided on. The military party then urged that the realization of this scheme should be expedited as far as possible; nevertheless, just as soon as the clan politicians came into power, they quietly postponed the scheme. On the other hand, the *Hochi*, a somewhat sensational Tokyo daily, has declared that although the legal strength of the Japanese Army is now supposed to be

nineteen divisions, the Government is actually maintaining twenty, of which one brigade is on active service in Formosa, while the other is stationed in Korea. The Army estimates are supposed to be milched for the upkeep of this extra division. The *Hochi* even stated that not more than one-third of the appropriations for military outfits was really applied to this purpose: of the balance, a portion is said to go to the support of the above division, while a considerable proportion finds its way into the pockets of the officers. True or not, and it is difficult to believe that Japanese papers would thus traduce the glorious Japanese Army without the smallest justification, these protests must none the less be interpreted as among the more significant signs of the times.

I have no wish to raise the racial issue more than is absolutely essential to exposure of the reverse side of the shield. It would be foolish to pretend that the Japanese alone have been responsible for every collision which has occurred in commercial and industrial circles, but it is to be feared that in not a few respects the Japanese standpoint is far from being ours. In the extraordinary instance of the Oriental Compressol Company, Ltd., the truly epic effort of a Japanese minority to oust the foreign majority necessitated the intervention of the Japanese authorities before justice could be done, though once more it must be noted that the much-maligned Japanese Court did uphold the rights of the foreign shareholders, and compelled the Japanese malcontents to toe the line. But in some other cases, the attitude of the Courts

has seemed to foreigners not a whit more logical than in that of the sugar scandal. In order once more to forestall the ever-ready cry of prejudice, I will quote the language of a circular letter which in December, 1908, was addressed by the Vice-Minister of Agriculture and Commerce to prefectural Governors and chairmen of chambers of commerce. It serves to show that the shortcomings of the Japanese commercial class are fully recognized by those who know them best. The circular reads :—

"The sound industrial development of a nation can only be brought about by the honest and assiduous application of the people to their occupations. In the present condition of our country, it is urgently necessary to stimulate the people to prize commercial morality and to do business with unwearied diligence and attention. At this juncture His Majesty the Emperor has given an Imperial Rescript inculcating honesty and sincerity and encouraging frugality and diligence. This Rescript, deep and far-reaching in its import, must be carefully remembered and strictly adhered to not only by business men but by the whole nation. On casting a glance upon our industrial and commercial circles, however, it will be seen that with the enlargement of the sphere of our business activities, vices attendant on competition have begun to make their appearance. A tendency is noticeable among merchants to attempt to engross business, excluding others, and among manufacturers to produce imitated articles and adulterated goods, sacrificing

without scruple the interests of others to their own small and transitory gains. Even the rights of inventions, trade-marks, and other industrial properties are infringed, and cases of imitation and plagiarism are often brought to our notice. Such phenomena are indeed very discouraging for the future of our industrial development. Moreover, cases of unauthorized appropriation of foreign trade-marks, commercial names, etc., are reported now and then, and petitions for remedy have been received from the aggrieved parties. It is true that among these complaints set forth by foreigners, there are some that cannot be said to be well founded from the legal point of view; but any conduct on the part of our business men which may seem dishonest or fraudulent will bring grave results not only by discrediting our commerce and industry but also by staining our national honour. The accompanying specimens are a few examples of imitated trade-marks from which an idea may be formed of the existing state of things. Of course applications for registration of such imitated trade-marks are subjected to strict examination, and anything considered by the authorities as calculated to deceive the public is rejected. But on this propitious occasion of the promulgation of the Imperial Rescript, it is considered highly desirable that our business men should be persuaded to come into unison and warn one another to use only fair means in the pursuit of wealth and promotion of industry, always bearing in mind that the first principle of business is to acquire credit by honesty and diligence, and thus to make an

epoch of improved morality in the history of our commercial and industrial progress. With this object in view, it is requested that you will explain to all concerned and make them understand that the rights of inventions, designs, and trade-marks must be respected and that unfair competition brings nothing but injurious results, at the same time warning them against the bad practice of turning out debased goods and the shortsighted policy of trying to sell rashly merchandise irrespective of price. It is also requested that you will instruct all associations of various branches of trade to take proper measures to stop dishonest dealings of the members of their respective associations."

The tone of this circular is in itself eloquent of the gulf which still divides the peoples of the East and West. Both here and in the periodical Imperial Rescripts which are issued, we are reminded of a schoolmaster addressing a class of small boys who have been jibbing against wholesome discipline. It is true that ex-President Roosevelt came nearer to this executive ideal than any other Occidental ruler of recent years, when he read the riot act to the citizens of California on the subject of the anti-Japanese movement, but understanding of the gross impropriety of any such attitude on the part of the executive towards grown-up persons promptly expressed itself in cartoon and caricature, and it is scarcely probable that hereafter the nominal head of a Western constitutional State will venture to wield a "big stick," the hang of which properly belongs to the Orient. In Japan,

therefore, the common people are still amenable to appeals of this description, and praise and praise alone is due to the Ministry which in this manner sought to ameliorate a crying abuse.

And yet, withal, at the back of this elaborate State machinery there is the solid common sense of the nation, and it is fairly safe to say that the generation now taking their place in the ranks will not permanently submit to being relegated to the position of political nonentities by a close corporation of statesmen of the old school. Popular clamour grows louder, and public sentiment is becoming more cosmopolitan. The business man is growing, and as he grows he demands to be heard. Few will deny that this is a better guarantee of peace than standing armies and great fleets. The merchant does not want to fight; he wants to trade, and as he extends his influence he develops an awkward habit of wishing to know by what right his hard-earned gains are taken from him and wickedly and recklessly squandered on engines of destruction. The evidence all points to the future increase of this economic element at a speed more than commensurate with what it has been in the past, and, *pari passu*, the military and reactionary forces will be constrained to loosen their grip. 'Tis a consummation devoutly to be wished in the best interests of the greatest number.

At the moment dullness reigns in Japan, and the immediate outlook may therefore appear discouraging. But things cannot always be so bad, and no matter what pessimistic penny-a-liners may say about the

country, the Japanese Empire is going ahead, and the wealth of the nation is really increasing. Confidence, it is true, has been rudely shaken owing to the collapse of many bubble companies which were promoted at the close of the war, and this circumstance has forced down stocks and shares considerably, but the majority of industrial concerns are steadily progressing. By and by the Japanese banks will grow tired of hoarding their capital, and will begin to lend it again more freely than at present. The result of this, again, will be renewed tightness of money, and in this way will arise many opportunities for foreign investment in Japan. It is well to be on one's guard against the croakings of the wet-blanket brigade. The course of trade and commerce may be said to resemble the geographical and topographical formation of the globe. You cannot proceed along a level path for ever. Sometimes you must climb mountains and cross seas and rivers, but finally you come to the easy, level road again, and the latter is without doubt the objective towards which Japan as a nation is striving.

The public finance of Japan has been bitterly attacked, but considering the crisis through which the country has passed, it is hardly to be wondered at that the Government has found itself embarrassed. Still it must be remembered that the Government has never failed to meet its obligations, and that, when all is said and done, the country can stand an increase of taxation if the incidence be more equitably readjusted. The land-tax of the Empire is calculated on the basis of

an assessment made in 1881 and a re-assessment made in 1899, but it is ridiculously low, and the tax on agricultural land, more especially, is simply farcical. By a slight increase in the land-tax, a very large revenue can be collected without laying too great a burden upon the agriculturists, and this source of income has not yet been properly tapped. The national wealth of Japan is estimated to be nearly thirty billions of yen, and while the country has to support an oppressive load of taxation, and although the Government is at times hard pressed to find ways and means for liquidating the national indebtedness, the country is certainly in no bankrupt condition. Moreover, it is important to bear in mind that, as the volume of taxation increases, by the natural expansion of the nation's resources, we shall see a correspondingly large reduction in the National Debt, or at least, if the National Debt itself be not reduced, the money borrowed will flow into other channels and aid in building up the industrial and commercial interests of the country.

With regard to the official policy towards foreign capitalists, with a view to monopolizing this source of income for State purposes the Government has been hitherto endeavouring to control the money market by patronizing special banks under official control, but in practice this system has proved so inconvenient that it has evoked strong protests from the country at large, and there is no doubt whatever but that in future the policy of the State will tend towards more liberal treatment of foreign private financial and banking institutions. It has been

pointed out by the more advanced business men of Japan, as represented by their guilds and chambers of commerce, that the only natural way of introducing foreign capital into Japan is to drop official interference with private enterprise, and to allow foreign capital to flow into the country by natural and independent channels. It has been openly stated, and is being insisted upon by the most profound thinkers of the nation, that it is an outrage upon private enterprise to permit the State to act as a banker between Japanese business men and foreign capitalists —that no meddling is required in business concerns in order to bring capital into Japan ; and that all that is requisite is that the Government shall simply remove every obstacle in the way of free commercial intercourse in the shape of those miserable little dams which shallow politicians desire to erect. In short, the common sense of the country is inveterately opposed to the curtailment of individual freedom by officialdom, and is demanding the abolition of the remnants of a system which has subordinated the control and guidance of economic problems to the vagaries of red-tape. This sentiment is gaining force year by year. The writer is convinced that in future foreign capitalists will not encounter the same obstacles as in the past. Japan has tried the monopoly and control of the introduction of foreign capital as a State undertaking, and the attempt has been a failure. The pendulum will now swing the other way, and there will be many opportunities for doing sound and profitable business hereafter, such as have

never been forthcoming in the days that are gone. The changed attitude of the administration will be in response to remorseless pressure of circumstances and not in deference to altruistic motives, nor out of a desire to please foreigners. Japan will act calmly, calculatingly, cynically, and selfishly, and as a means to an end. But irrespective of the spirit which may animate her, Japan will certainly have to abandon the official bolstering-up of private enterprises, the nursing of anæmic industries, and the rôle of incubator for the hatching out of eggs of worthless undertakings laid by wire-pulling charlatans.

The grant of land-owning rights to foreigners, sanctioned during the twenty-sixth session of the Diet, though anything but a satisfactory measure as it stands, may none the less be regarded as the admission of an important principle for which foreigners have long been fighting. The following is an official translation of the Bill as finally amended and adopted by both Houses of the Diet:—

LAW RELATING TO FOREIGNERS' RIGHT OF OWNERSHIP IN LAND.

(Promulgated April 1910.)

Article I

Foreigners domiciled or resident in Japan and foreign juridical persons registered therein shall enjoy the right of ownership in land, provided always that in the countries to which they belong such right is extended to Japanese subjects and Japanese juridical persons; and provided further, in case of foreign juridical persons, that they shall obtain permission of the Minister for Home Affairs in acquiring such ownership.

The foregoing provisions shall be applicable only to foreigners and foreign juridical persons belonging to the countries to be designated by Imperial Ordinance.

Article II

Foreigners and foreign juridical persons shall not be capable of enjoying the right of ownership in land in the following districts:—

1. Hokkaido.
2. Formosa.
3. Karafuto.
4. Districts necessary for national defence.

The districts coming under No. 4 of the preceding Paragraph shall be designated by Imperial Ordinance.

Article III

In case a foreigner or a foreign juridical person owning land ceases to be capable of enjoying the right of ownership in land, the ownership of such land shall accrue to the fiscus, unless he disposes of it within a period of one year.

In case a foreigner, by reason of losing his domicile or residence in Japan, or a foreign juridical person, on account of withdrawing his business establishment or office from Japan, ceases to be capable of enjoying the right of ownership in land, the period mentioned in the preceding Paragraph shall be five years.

If any land owned by a foreigner or a foreign juridical person is situated within the district designated, under the last Paragraph of the preceding Article, as necessary for national defence, and if, in consequence, the ownership of such land accrues to the fiscus, the damages thereby caused to the former owner shall be compensated.

In case of failure to arrive at an accord with regard to the amount of compensation mentioned in the preceding Paragraph, a suit may be brought before an ordinary Court of Justice.

SUPPLEMENTARY PROVISIONS.

Article IV

The date for putting the present Law into force shall be determined by Imperial Ordinance.

Article V

Edict No. 18 of the Sixth Year of Meiji is hereby abolished.

Article VI

The present Law shall not apply to lands in Formosa actually owned, at the time of its coming into force, by foreigners or foreign juridical persons, unless and until the ownership of such lands shall have accrued to Japanese subjects or Japanese juridical persons.

Article VII

In Law No. 67 of the Thirty-second Year of Meiji, the words "incapable of enjoying the right of ownership in land" shall be added after the words "a foreigner, mortgagee of land."

The law above quoted shall read, as amended, as follows:—

"In case a foreigner, mortgagee of land, incapable of enjoying the right of ownership in land, demands a sale by auction for the sake of obtaining a higher price, he shall attach a statement to such demand, that he will bear the difference between the price obtained at the auction and a sum one-tenth higher than the price already offered by the purchaser, if such sum or a higher sum is not obtained at the auction."

Article VIII

In Article 990 of the Civil Code and in Law No. 94 of the Thirty-second Year of Meiji, the words "has rights which only a Japanese subject can hold" shall be amended to read—"ceases, in consequence thereof, to be capable of enjoying the rights which he has possessed," and the words "to a Japanese subject" shall be suppressed.

[Article 990 (Paragraph 2) of the Civil Code as amended shall read:—

"If the person (head of a house) who loses his nationality ceases, in consequence thereof, to be capable of enjoying the rights which he has possessed, those rights shall accrue to the heir of the house, unless the former head disposes of them within a period of one year.

Law No. 94 of the Thirty-second Year of Meiji as amended shall read:—

"If a member of a house who loses his nationality ceases, in consequence thereof, to be capable of enjoying the rights which he has possessed, those rights shall accrue to the fiscus, unless he disposes of them within a period of one year."]

The limitations of the above measure are obvious at a glance and need not be discussed at any length. It may, indeed, well be doubted whether, in view of the alternative tenures open to foreigners in the shape of superficies and the so-called Japanese juridical person (*hōjin*), many foreigners will avail themselves of the law as it stands, especially in the case of foreign juridical persons who must obtain the consent of the Home Minister before they can acquire the right to hold land in fee simple. In so far as the average individual is concerned, superficies would seem to be almost preferable to a right which would have to be surrendered should the locality in which the land is situated be declared within a district necessary for

purposes of national defence. It is, in fact, worthy of note that Yokohama, where the largest foreign population is concentrated, is not far from the Yokosuka fortified zone, and with the extension of the range of heavy artillery might conceivably at any time be included therein. For this reason, it is not at all likely that the holders of perpetual leases in the foreign settlements will consent to convert the same into fee-simple rights under the new law, and as these perpetual leases are guaranteed by treaty, they cannot be affected without the consent of all the parties concerned. The provisions of the first article, which declare that the right to own land shall be reciprocal, should have a tender interest for America, where not all the States of the Union extend a corresponding right to Japanese. It still remains to be seen how this discrepancy will react upon the position of Americans in Japan, should they seek to avail themselves of the privileges of the new law. In truth the old conservatism and illiberality die hard, and it is almost certain that, had it not been that the Government wished to strengthen its hands in the forthcoming negotiations for treaty revision, nothing would have been heard of even this decidedly qualified and grudging measure of reform.

CHAPTER XXIII

JAPAN AT HOME (CONCLUDED).

Two Currents of Thought, Progressive and Retrogressive—National Regimentation—State Socialism and Militaristic Paternalism—The Imperial Prerogatives—Origin of the Constitution—An Aristocratic Revolution—What the Constitution Grants—Power of the Purse only Nominally in the Hands of the Diet—Professor Hozumi's View—The Imperial Command—Some Precedents—Japanese Cabinets Do Not Necessarily Represent Parliamentary Majorities—The Vigilant Censorship—The Case of Dr. Inouye's School of Philosophy—An Interesting Dialogue—The Case of Mr. Yukio Ozaki—A Hypothetical Republic—The Campaign against Socialism—The Case of the *Heimin Shimbun*—A Revolutionary Propaganda—The Imperial Cult—Worship of the Emperor's Photograph—Fanatical Sacrifice of Life to Save Imperial Portrait from Fire—Language Used in Reference to the Emperor—Japanese Administrative System Really Absolutism—Change as yet Premature — The Diet Awakening — Safeguarding its Privileges—Historical Fallacies Nurtured by Officialdom—Dr. Kikuchi's Misinformation—Japanese Sumptuary Regulations—The Campaign against "High Collar"—General Count Nogi and the Peeresses' Millinery—A Spirited Lady Antagonist—A "Beauty" Prize-winner—Position of Woman in Japan—Insufferable Attitude of the Lord of Creation—The End of Education—The Individual Subordinate to the Family and the State—Change for the Better in Female Status—The Japanese Wife—Japanese Marriage—Centralization—The Position of Labour—Dearth of Ameliorative Legislation—Women and Child Labour—Japanese Guilds—The Evolution of the Japanese Proletariat—Learning to Strike—The Concomitants of Industrialism—A Plea for Japanese Humanity—The Oneness of Mankind—The Real Difference between East and West—Japan's Future Assured—Pessimism Unwarranted.

In Japan nowadays it is easy to detect two main currents of thought. One has its source among the younger liberal elements, while the other rises among their more conservative elders. Russia and Japan have at least this in common that their respective Governments dread individuality as much as the devil is supposed to dread holy water, and do their best to rear the rising generation as far as possible on

a uniform plan. Were the late Herbert Spencer alive, he would find in Japan a vast fund of material for the fortification of his argument against regimentation. For the moment, at least, it must be admitted that the more striking manifestations of *post-bellum* official Japan are seen in a crude form of State Socialism, in conjunction with militaristic paternalism. Although it is far from being the case that these reactionary tendencies are universally shared, the fact remains that the imperial prerogatives and the popular reverence accorded to the imperial office are still so real that it is as yet premature to talk about the power of the populace in Japan. There has never been a popular revolution in that country as we understand the term; the common people had no part in the restoration of the Emperor during the early sixties, and all the political reforms which heralded the birth of New Japan were initiated by the aristocracy, and the Constitution itself appears as the gracious and voluntary gift of the Emperor to his duly grateful subjects. That very Constitution is an admirable exemplification of how rights may be ostensibly granted in one breath and abrogated in another. The Diet has authority to do certain things so long as those things are satisfactory to the Emperor and his advisers; otherwise, judging from a fairly long line of precedents, the Diet is likely to disappear for the time being, while the Ministry remains. The Emperor's prerogatives include the power to sanction laws, to convoke, open, close, prorogue and dissolve the Diet; to issue Imperial Ordinances in the place of

law, when the Diet is not sitting; to appoint and dismiss Cabinet Ministers and other members of the administration; to determine the salaries of all civil and military officers, and to appoint and dismiss the same; to declare war, make peace, and conclude treaties; to proclaim the law of siege; to confer titles of nobility, etc; to order amnesty, pardon, commutation of punishments, and rehabilitation. The Emperor also has supreme command of the Army and Navy. In practice as well as in theory, the Emperor selects his own advisers, who need have no connection with any political party, and who may even, as in the case of Marquis Katsura's first Ministry, be destitute of a majority in the Lower House.

The power of the purse is justly held to be the most effective weapon in the hands of a representative assembly. Superficial perusal of the Japanese Constitution might lead the reader to believe that this power is secured to the Japanese Diet, but more careful scrutiny will convince him that this is far from being the case. Article LXX. reads: "When the Imperial Diet cannot be convoked, owing to the external or internal condition of the country, in case of urgent need for the maintenance of public safety, the Government may take all necessary measures by means of an Imperial Ordinance;" and Article LXXI. provides that "when the Imperial Diet has not voted on the Budget, or when the Budget has not been brought into actual existence, the Government shall carry out the Budget of the preceding year." It is clear, therefore, that an unscrupulous Ministry, with

NAVAL DEPARTMENT, TOKYO.

MOAT SURROUNDING IMPERIAL PALACE, TOKYO.

the co-operation of the Emperor and the Army, could virtually defy the popular representatives and yet keep within the limits of the Constitution. That I have not exaggerated the futility of the Constitution, as an emblem of limited monarchy, will appear from the opinion of no less an authority than Professor Hozumi who, in an enthusiastic dissertation on the subject, in which his admiration for Prince Ito's work almost overpowers him, declares that the Japanese Constitution does not bind the Emperor at all. Nor can we lose sight of the enormous authority of the imperial office, quite irrespective of, and far outweighing, constitutional endorsement. One of the most impressive instances of the kind occurred in 1901, when the House of Peers, moved by hostility to the principle of party Cabinets, which was favoured by the then Premier, Marquis Ito, obstinately declined to pass certain bills providing for increased taxation. The situation had reached a deadlock which in England must have resulted in the resignation of the Ministry. Marquis Ito, however, enjoyed the unreserved confidence of his imperial master, and no great surprise was therefore felt when His Majesty sent a message to the Upper House commanding it to pass the objectionable bills. The Peers promptly obeyed, as a matter of course, and the Premier's resignation followed later.

To illustrate the manner in which coercion can be brought to bear upon the members of the House of Representatives, I would point to the conduct of the then Viscount Katsura's Ministry in the latter part of

1902. The Government had elaborated a plan of naval expansion to extend over eleven years. The capital assigned for the purpose was estimated at about Yen 115,000,000, and the programme was to be inaugurated from the fiscal year 1903-4. The source from which the appropriations were to be annually derived was an increased land-tax of 3.3 per cent. Unluckily for the smooth operation of the Ministry's scheme, this increased tax had been agreed to by the Diet in 1899 as a temporary expedient for only five years, and this term would expire at the close of 1903. Many of the members had already pledged themselves to their constituents to secure the restoration of the original tax of 2.5 per cent., in the event of their being elected. The loudest protest was raised by the *Seiyu-kai* (usually spoken of in English as the Constitutionalists), the party founded by the late Prince Ito. On this issue, however, the then Marquis's followers did not even wait for him to express his views, and the bulk of the General Committee promptly condemned the ministerial plans. Under which king, then, was the Marquis? He hesitated to declare himself opposed to the naval increment, because he realized that such a step would prove unpopular. Instead he sought to temporize and to induce the Government to consent to a drastic curtailment of the appropriations for railways and telephones as a means of raising the amount needed for the naval programme, in preference to a continuation of the increased land-tax. Thus, opinion was not divided on a question of policy, but rather on one of

ways and means. The Government cannot be blamed for rejecting Marquis Ito's proposal, for if it was admittedly essential that the Navy should be increased in order to keep pace with foreign squadrons in Far Eastern waters and to render Japan's alliance with Great Britain effective, the original idea of meeting the cost out of a slightly increased tax on land, which had already been in operation since 1899, had quite as much to recommend it as the alternative one of suspending such productive undertakings as railways and telephones, badly as both are managed by the State in Japan. A few politicians, notably Count Okuma's party known as the *Shimpo-tō*, or Progressives, announced in a more or less informal manner that they were opposed to both the raised land-tax and the naval expansion, but it is certain that the majority reserved their hostility for the former. In England the matter would have been speedily decided by the defeat of the Government in the Lower House and its subsequent resignation, but, as already intimated, a Japanese Ministry does not in any sense represent a majority, the consequence being that when the Lower House persistently refused to pass the Land Bill, it was not the Cabinet that resigned, but the refractory Diet that was dissolved on December 28th, 1902, after a brief existence of six months.

It is open to question how long these anomalies can continue in Japan. The authorities fully realize that the perpetuation of such principles of government would be menaced by the growth of liberal ideas, and the censorship is ever on the alert to prevent

the circulation of original or translated literature which, directly or indirectly, animadverts against monarchical principles. Some years ago, for example, Dr. Inouye's School of Philosophy came under the ban of the Department of Education because certain teachings contained in Dr. Muirhead's *Elements of Ethics* were deemed subversive of the Japanese official conception of morality. The fact was that the book, in explaining the relation between motive and action, cited the case of Oliver Cromwell in approving a capital sentence on his sovereign to show that when the motive is good, an evil action resulting therefrom cannot be absolutely bad. The upshot of this awful crime was that the special privilege granted to the school by which graduates could be appointed teachers in middle schools and normal colleges, without passing a further examination, was withdrawn, and the school was further notified that all the students who had graduated since the special privilege was granted had been disqualified to act as teachers. The chief offender appears to have been one Nakajima Tokuzo, between whom and the Vice-Minister of Education, Mr. Okada, the following instructive dialogue took place:—

Mr. Okada: Is it not wrong to hold that if the motive of the action be good, one may be justified even in murdering one's sovereign?

Mr. Nakajima: Viewed from the standpoint of ethics, such justification is possible. For instance, when liberty is regarded as the highest aim morally,

an extreme action may be resorted to on an extreme occasion. Mr. Muirhead considers that the highest object of human life is contained in the principle of liberty. This may be the reason why the author approves the action of Cromwell.

Mr. Okada: Is it not an improper example for Japan?

Mr. Nakajima: Yes, but it was employed only in explanation of the principle advocated. The occurrence of such a thing in Japan is entirely out of the question.

The following interview between Mr. Nakajima and Dr. Yamakawa, President of the Tokyo Imperial University, was also reported at the time:—

Dr. Yamakawa: It is extremely improper of you to leave such an example in the text-book when Mr. Muirhead's work is adopted.

Mr. Nakajima: I do not regard every phrase and sentence of a text-book as a golden saying or rule. A text-book is only a means for giving instruction. It is not intended to make students follow every trifling example quoted in the book. The example in question was passed by both the teachers and students without any notice being taken of it. If I had been asked what would be the results had such an event taken place in Japan, I should have replied that it was unreasonable to believe that such an act could ever occur in this country. In loyalty to the Emperor and patriotism our school is second to none.

All efforts on the part of the teacher to explain his attitude were, however, in vain. The Depart-

ment of Education thought that if men trained in that particular School of Philosophy and imbued with such teachings, were admitted into middle schools and normal colleges, serious consequences must follow. A curious sidelight on the case is that one of the inspectors of education who was shocked at the lack of moral principle shown by Mr. Muirhead and his followers, was soon afterwards arrested on charges connected with what was then known as the text-book bribery scandal.

Characteristic also is the case of Mr. Yukio Ozaki, Mayor of Tokyo at the time of writing, who had to resign his post as Minister of Education in 1898, simply because, in the course of a speech, and in order to illustrate an argument, he imagined Japan as a republic. A torrent of patriotic denunciation was poured on his devoted head, and he prudently retired from the scene with all possible speed, lest a worse fate should befall him.

Any public advocacy of Socialism, however academic in tone, is rigidly and mercilessly put down. A modest little sheet called the *Heimin Shimbun*, or "Common People's Newspaper," used to appear weekly in Tokyo as the organ of the Japanese Socialists, but its days were numbered and it was finally suppressed by the authorities. Anti-war meetings convoked by this body were ruthlessly dispersed by the police, who would not even allow a small socialist group to be photographed in Hibiya Park, Tokyo. Significantly enough, although a journal which academically advocated the

adoption of socialistic principles in Japan was not permitted to exist, a paper called the *Kakumei Hyoron*, or "Revolutionary Review," which confined its message to the propaganda of anti-dynastic uprisings and "blood to the bridle" in China and other foreign countries, enjoyed comparative immunity from interference until a foreign newspaper published at Yokohama called attention to the anomaly, when its disappearance followed. Needless to say, the most scrupulous care is taken to prevent the introduction of socialistic ideas into the Army and Navy, and woe betide the officer or private who should be detected in the act of inculcating these doctrines!

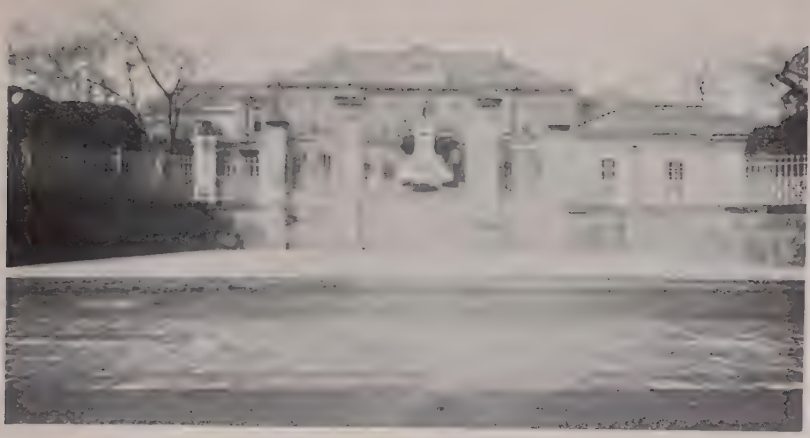
None understand better than the real rulers of Japan the jesuitical precept that the seeds of adult conduct are sown in youth and that, given a certain line of training up to the age of eleven, the average subject may be expected to remain true thereto for the rest of his life. Loyalty to the Emperor has therefore been exalted into a regular cult. The photograph of His Majesty hangs in every school in the country, and the children and teachers are required to bow before it daily. On more than one occasion during recent years, persons have been known to sacrifice their lives in the effort to save these portraits from destruction by fire, and such deeds are extolled as worthy of profound admiration. Writing on this very subject as far back as 1903, *The Japan Mail*, whose able and scholarly editor, Captain F. Brinkley, a profound sinologue and for many years past Tokyo correspondent of *The Times*, will scarcely be accused of prejudice against Japan

and Japanese manners and customs, said: "Another example has been furnished of the exaggerated loyalty for which the Japanese of the Meiji era are remarkable. On the occasion of the recent burning of an elementary school in Iwate prefecture, a servant who obstinately persisted in attempting to save the Emperor's photograph lost his own life and failed to rescue the picture. If all the cognate incidents that have occurred during the Meiji era were collected, they would make a formidable list. Principals of schools have committed suicide owing to the destruction of the Imperial likeness, and imbecile persons have taken their own lives because a building in which the Empress once sojourned was devoured by flames. Then, too, it has to be remembered that the attitude of students and teachers towards these pictures is generally one of more than veneration, and that there has generally come into force a canon which converts the likenesses into objects of awe and even of lively fear, since the slightest deviation from an almost fanatical rule of reverence is pretty sure to evoke vehement accusations of disloyalty from some section of the public. We are among those that sincerely admire the sentiment of loyalty to the head of the State, when, as in Japan's case, His Majesty fully deserves to be enshrined in the hearts of his people, and we recognize the potency of the feeling as a factor of national unity. But it often occurs to us to reflect with uneasiness whether a danger does not present itself that this overstrung sentiment may not carry in itself the germs of reaction. Extremes are never permanent. It is

impossible for any feeling to glow permanently at fever heat in human bosoms. The extravagance of its displays sooner or later begets a tendency to revolt. Of course we do not suggest for an instant that any danger is yet discernible of Japan's lapse from loyalty. But to ensure the steadfastness of the fine feeling which now welds the nation into such a compact entity, it certainly would be better if the sentiment should range upon a soberer level, and that it should be freed from the elements of passion which sometimes impart to its exhibitions an aspect of hysteria. The *Jiji Shimpo*, with its usual insight and frankness, discusses the significance of the Iwate School incident, but does not touch upon the view we have suggested, namely, that the sentiment would be more stable were it less despotic. The point our contemporary makes is that the exactions inspired by the feeling as it now exists and the tyranny with which its sacrosanctity is guarded, produce fear instead of fostering reverence. The scrupulous treasuring of the Imperial photograph, the exaggerated ceremonial that has to be observed towards it, the ruinous consequences of any deviation, however slight and unintentional, from an extremely emotional code of etiquette, all tend to invest with apprehension and anxiety an object which should suggest only love and veneration. That is the *Jiji's* criticism, and a thoroughly sound criticism it is."

The language used in print when referring to the Emperor, the Imperial Family, or to anything directly or remotely connected therewith, is fulsome to a degree of which the West has no conception, even

when allowance has been made for the Far Eastern partiality for honorifics. It is forbidden to look down upon the Emperor from any elevation, however slight, and a good many years ago, it is true, a foreign resident of Tokyo was badly injured by a blow on the head from the butt of a trooper's lance because, long before His Majesty appeared, he neglected to remove his hat. The expressions "jewel body" (*gyokutai*), "dragon countenance" (*ryōgan*), "dragon costume" (*ryū-i*), "holy or divine countenance" (*seigan*), "above divine or holy" (*seijō*), and many others are in constant use in connection with the Emperor and his attributes. Without attempting to criticize the motives which inspire this type of hyperbole, I will only say that they are symptomatic of an underlying conception of the imperial person and the imperial office wholly out of harmony with Western democratic forms of government. Efforts of apologists to the contrary notwithstanding, the administrative system in Japan is really absolutism in the guise of constitutional government, but, on the other hand, it must be admitted that this system suits the political condition of the country, and in practice it works so well, on the whole, that changes can only be made gradually and after grave and mature deliberation. At the same time, there may be discerned a gratifying determination on the part of the Diet to safeguard with great jealousy such meagre rights as are vouchsafed to it under the Constitution. At the close of the twenty-sixth session, for example, Dr. Hatoyama, the talented leader of the *Seiyu-kai*,



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called the Government to task in no uncertain terms for its failure to observe Article VIII. of the Constitution, whereby it is provided that all Imperial Ordinances must be laid before the Diet at its next session, and that, when the Diet does not approve them, the Government is required to declare them invalid for the future. In this case the Government had abrogated a law regarding judicial affairs in Korea, but had not submitted to the Diet the Imperial Ordinance in regard to the same. The Premier and other members of the Government were called upon to attend the sitting and be witnesses of the enthusiastic unanimity with which all parties in the House adopted what was virtually a vote of censure.

In spite of the modernization of Japan, there are as yet very few premonitory symptoms of a readiness to enter the comity of nations on terms of historical equality. I would refer the reader for proof of this assertion to a recent address delivered before the Royal Society of Arts in London by Count Mutsu, Commissioner of the Imperial Japanese Government to the Anglo-Japanese Exhibition. Count Mutsu remarked that at one of the entrances to the Exhibition the visitor would be able to witness twelve brilliant tableaux representing various epochs of the 2,500 years of Japanese history! It is scarcely necessary, perhaps, to add that further back than the Christian epoch Japanese history is conclusively proved by the best authorities to be fabulous. Scholars like Mr. W. G. Aston, Sir Ernest Satow, Mr. William Bramsen, and Professor Basil Hall Chamberlain all concur on this point.

In much the same spirit Baron Dr. Kikuchi, formerly Minister of Education in Japan, had the temerity some years ago solemnly to inform or more correctly, misinform, a London audience that, contrary to the case in England, in Japan no Japanese subject had ever aspired to the Throne, though even Macaulay's proverbial schoolboy knows that for seven hundred years the nominal incumbent of the Japanese imperial office was nothing better than a puppet in the hands of the Shoguns. These attempts to claim for Japan immunity from universal human laws serves no better purpose than to make the claimants look ridiculous. Perusal of the history of Taira Kiyomori (1118-81), Hōjō Takatoki (1303-33), and Ashikaga Takauji (1305-58), will convince any unprejudiced person that certain subjects in Japan have entertained considerable ambition in their day and generation.

The play of individual fancy in the matter of dress among school children is sternly discouraged. School uniform is almost universal, and in official establishments no deviation from the accepted pattern is permitted even in the smallest details. The height of the collar and the width of the trousers at the bottom are carefully measured, and should they be found higher and wider than these sumptuary regulations call for, they must be altered without delay. The student who so far forgets himself as to part his hair is held up to ridicule and dubbed "high-collar,"—an expression which has been naturalized in Japan to connote anything suggestive of elegance or taste in dress in either sex.

The lengths to which this brand of Spartanism can be carried are well set forth in the following instance. Some time after the Russo-Japanese War, General Count Nogi was appointed President of the School for Peers and Peeresses in Tokyo, and at once demonstrated his fitness for the new post by drafting a series of sumptuary laws for the control of the young ladies' millinery, at the same time issuing orders that the utmost simplicity and thrift must be observed by the female pupils in their daily life. The Principal of the girls' department was a Miss Shimoda, who joined issue with General Nogi on this point, and very properly contended that the girls should not be taught that it was their duty to live in absolute simplicity and retirement. On the contrary, she insisted, they should strive to become accomplished and be taught to take a pride in their personal appearance. Believing in the influence of example as well as precept, this spirited lady attended the school most fashionably attired, and wore a fresh *kimono* every day by way of protest against General Nogi's puritanical regulations. On the occasion of a banquet which she gave to the faculties of the girls' department, she did not hesitate openly to criticize the principles advocated by General Nogi, and declared herself in favour of face powder and silk dresses! General Nogi, she was ready to admit, might be the best of soldiers, but he was in no position to pronounce an expert opinion on what was best for the education of the daughters of the nobility. General Nogi warmly remonstrated againt the behaviour of Miss Shimoda, who

resigned, and in her place was appointed as head of the girls' department a lordly male! Another very amusing incident in connection with General Nogi's incumbency of office at the above school is also worth relating. A few years ago, the *Jiji Shimpo*, one of the best-known Japanese newspapers, offered prizes for the most beautiful girl in Japan, in imitation of a similar competition in the United States. As luck would have it, the first prize was bestowed upon one of the pupils of the Peeresses' School. This episode fairly horrified poor General Nogi, and the young lady at one moment stood in imminent peril of expulsion, but finally the incident blew over. The sequel, however, brought the joke to a fitting climax. The fair prize-winner, some time later, thanks to her triumph in this competition, became the wife of the son of another well-known General, scarcely less distinguished than Nogi himself!

It must be admitted that there was nothing inconsistent about the conduct of the educational authorities in the above cases. Indeed, when one reflects upon the disabilities of woman in Japan, and that atrocious disparity in the Penal Code which virtually puts a premium upon the husband's infidelity by limiting the criminality of adultery to the wife, and by non-recognition of that offence on the part of the husband as ground for divorce, one must rather grant that any other course of action would have implied stultification. Woman must be kept in her place, as taught in the *Onna Daigaku*. To those who can read the advertising columns of Japanese newspapers and the

contents of Japanese popular magazines for both sexes, there is something at once ludicrous and obscene in this male assumption of superiority, this smug arrogation of a title to steer the women along the narrow path of virtue. Japanese publicists have the effrontery to devote special articles to solemn consideration of the question: "What is the cause of the moral depravity of Japanese women?" while male writers in the daily papers do not scruple—for the sake of blackmail—to subject refined ladies to the foulest and most virulent abuse. If anywhere, a suffragette movement would be abundantly justified in Japan, but so far, even premonitory symptoms are hard to detect. Good or bad, in Japan the official end in view, as regards education, is the State, and as regards society generally, it is the family which is the legal unit. Speaking of the former, Mr. Sawayanagi Masataro, in his latest work on Japanese education, as summarized by Mr. Walter Dening in *The Japan Mail*, says: "In England the chief object of education is considered to be the development of the individual boy or girl for his or her own sake. Here the principal aim of our school system is to prepare boys and girls for serving the State. This subservience of our teaching to State interests is to be traced to Confucian precepts and doctrines." Speaking of the latter, *i.e.*, society, Mr. John Harrington Gubbins, C.M.G., in a masterly introduction to his translation of the Japanese Civil Code, says: "In his able and exhaustive treatise on Japanese family law, Dr. Weipert has drawn attention to the importance of the

Family in Japan. This importance is not derived from any idea of ancestry, though pride of birth is as common as with us, but from another set of ideas,—from a difference in the point of view from which society is regarded. It is due simply to the fact that the family is the social unit, and it is theoretically as great in plebeian as in patrician circles, for in this matter neither law nor custom is any respecter of persons. With us it is the individual, in Japan it is the family, round which everything centres."

Although I have commented somewhat strongly upon the discrimination shown against women in Japan, it should in justice be added that in this respect also great progress has to be recorded. To quote Mr. Gubbins: "Though she still labours under certain disabilities, a woman can now become the head of a family, and exercise authority as such; she can inherit and own property and manage it herself; she can exercise parental authority; if single, or a widow, she can adopt; she is one of the parties to adoption effected by her husband, and her consent in addition to that of her husband is necessary to the adoption of her child by another person; she can act as guardian, or curator, and she has a voice in family councils." So far so good, but still more is required, less, perhaps, from the written than the unwritten law, before Japan can rightly claim to be regarded as a modern Power in the best Occidental sense.

Nevertheless, woman in Japan has a very great and growing influence quite irrespective of legal sanction. Mr. James S. de Benneville, in his very scholarly

work *More Japonico: A Critique of the Effect of an Idea—Communityism—on the Life and History of a People*, says: "To say.....that the Japanese wife is a mere upper servant, an automaton, is a contradiction of terms. The burden that is laid on her calls not only her own natural office in life, but may call on her to take man's place. It is not the Japanese habit to leave anything unprovided for. The details are all foreseen. Hence it is not surprising to find under this delicate framework, such a bundle of queer formalities and bows, great strength of character. And strength of character means boldness of sacrifice, for this alone calls for strength; to use the term of an Italian writer—'A heart of iron and a heart of gold'."

As essentially germane to the question of the status of woman in Japan, Mr. J. E. de Becker's remarks on marriage deserve to be quoted in their entirety. He says:—

"The present-day marriage in Japan is a civil contract made in the presence of witnesses, in due form of law, either written or oral, which contract is afterwards recorded by a public official (a Registrar) in a Family Registry Office in a village, town or city, and the said contract or marriage takes effect immediately upon its being notified (either in writing or orally) to the Registrar by both parties, and at least two witnesses of full age, and its being accepted by him. Thus, in Japan, the essence of a formal marriage now consists, not in any ceremony—religious or otherwise—but in giving a written or oral notification of such marriage to the Registrar of the place of the permanent abode of the husband or the place where he is staying. Such notification must mention the names of the parties and the facts required by law and must be vouched for by two witnesses of full age. If a document is employed it must be *personally* signed and sealed by the parties and the witnesses (proxies are not permitted), but the parties need not, under ordinary circumstances, attend personally, before the Registrar; if the notification is made orally, both of the parties and their witnesses must personally appear before the Registrar. In either case immediately the Registrar has accepted the notification the parties are man and wife and the

marriage is 'celebrated' and complete; and such marriage can always be proved in the Japanese Courts by the production of a certified copy of the Registry signed and sealed by the Registrar. (*Vide* Art. 775, and No. 2 of Art. 778.)

It may be stated that a great deal of unnecessary trouble has been caused to foreign residents in Japan owing to the Consular Officers of certain Powers not being allowed to register the marriages of the subjects of their nation which have been contracted according to the Japanese *lex loci*, and it seems desirable that the various Foreign Offices should issue instructions to the Consuls under their jurisdiction to accept Japanese official certificates of marriage and register the marriages so certified. Under present circumstances, when (for example) a British subject marries a Japanese lady, the would-be husband and wife have to observe the Japanese ceremony first and then be re-married at the Consulate! Moreover, as many people desire a Church marriage for religious reasons, the pair have then to go to the Church for a *third* ceremony!

The effect of a marriage is governed by the law of the husband's country.

In the case of a divorce by consent, a notification personally signed and sealed by the parties and at least two witnesses of full age must be given to the Registrar, or, if preferred, the notification may be given orally as in the case of marriage. Immediately the Registrar accepts the notification the divorce is complete.

Even in the case of a judicial divorce, the party who brought the action must register the judgment if successful.

Divorce is governed by the law of the home country of the husband at the time of the occurrence of the fact forming its cause. But the Court can make no adjudication of divorce unless the fact forming its cause also constitutes a cause of divorce according to Japanese law."

Concerning illegitimate children and the uncivilized character of the laws of some Western countries governing this subject, Mr. de Becker has the following:—

"It is a matter for sincere congratulation that the Japanese legislators have had the courage of their convictions in adopting the principle of legitimation *per subsequens matrimonium*. The cruel harsh provisions of the English law relative to the disabilities of bastards are relics of mediaeval barbarism and cruel intolerance which are a crying disgrace to a civilized State. In this matter, England and many of the States of the United States of America, have allowed their freedom of action to be fettered by the iron chain of unnatural and uncharitable legislation almost entirely because the declarations of the Council of Merton have crystallized into a respectable fetish with the passing of the centuries. Japan, on the contrary, while she

sets up no canting pretence to be a 'Christian' nation, has manifested a tender spirit of true Christian charity and philanthropy and has (following the lead of France, Germany, and other Powers who have discarded the paralyzing superstitions of dark and bygone ages) adopted a liberal and generous policy towards illegitimate children which does her honour, and shows that her jurists are animated with benevolent sentiments of justice and humanity."

The foregoing facts must be accounted among the most valuable assets of New Japan. It is left for us to regret that not all the manifestations of authority are equally ameliorative.

Turning again to the negative aspect of the case, we find that the tendency towards ever greater and greater centralization is anything but an unmixed blessing. While the authority of the administration penetrates into so many walks of life, registering, supervising, controlling, very little is done to check the speculation which augments the price of objects of prime necessity and makes the lot of the masses still more arduous. The Government has almost monopolized elementary and higher education; it owns numerous factories, and in its hands are concentrated camphor, tobacco, salt, telephones, and the bulk of the railways. Only as recently as the end of 1909 did the Government formulate a Factory Bill for submission to the Diet, and this was eventually withdrawn. Hitherto there has been no law concerning the responsibility of employers for accidents; no law regulating the employment of child labour, the hours of work per day, the cubic space of air in mills and factories, the temperature of such premises, nor sanitary conditions generally. A glance at official statistics shows that

female operatives are largely in excess of males, the figures for 1907 being 385,936 and 257,356 respectively. The average daily wage for women in these factories ranges from 15 to 30 sen (a sen is about a farthing), while men earn from 30 to 70 sen. Children earn from 8 to 16 sen in the case of girls, and from 10 to 30 sen in the case of boys.

Signs are not wanting that the workmen's guilds of Japan may ere long evolve into something not unlike our own trade-unions, and that the discontent of the proletariat is almost as prone in Japan to find expression in physical violence as it is in the West. Such phenomena as the *post-bellum* riots in Tokyo; the socialistic demonstration against the increase of car fares in Tokyo; the destruction of property which attended that demonstration; the strike of the men at the Osaka Arsenal; the Ashio Copper Mine riots which were accompanied by bloodshed; together with other isolated ebullitions at various times and places, —all teach a lesson which might with profit be heeded by authority. This evolution of the proletariat is part of the price that Japan will have to 'pay for her transition from an agricultural to an industrial state. The Orient may move slowly, but even there it is no longer possible, as in the happy days of the *Bakufu*, to crucify and decapitate an entire family because the head thereof has been guilty of the heinous offence of appeal to the central authorities against the oppression of a patrician landlord. Foreign commentators, carried away upon a wave of almost hysterical enthusiasm for Japan's great victory, have often shown

themselves utterly incapable of probing beneath the surface. They have been content to accept official facts and figures for almost everything, and for many obvious reasons have neither possessed nor sought opportunities for first-hand investigation. But had their mental industry been equal to the task of reviewing economic history, they might have realized that not even Japan can wholly abrogate natural laws. The intellectual and physical processes of humanity may be modified and repressed there, as in Russia, but they cannot be entirely destroyed. In fact, it is easy to detect an analogy between the history of economic events in Japan and Russia during recent years. The growth of Russian industries led to the concentration of large numbers of the commonalty in the towns, and the consequent daily interchange of ideas among men not naturally stupid. The majority learned to read and the rest was comparatively easy. Japan is undergoing a similar evolution. Doubtless proletarian schemes of social, economic, and political reform are sufficiently crude and ill-digested, but they none the less furnish certain groups with a common ideal which is bound in time to exert tremendous centripetal force. The foregoing is already more than a forecast; it is a fact. The Japanese bureaucracy may be extremely potent, but it overrated its own powers when it fondly imagined that it could admit from the West only those particular features of foreign life which seemed likely to strengthen central authority, and that, while developing the resources of the country, it could still

control the movement permanently by a species of regimentation, at the same time excluding certain other forces which are the invariable concomitants of Occidental industrialism. Some foreign writers have taken it upon themselves to invest the Japanese Government with such power, but events are proving them ludicrously wrong. The Japanese mind loves extremes and apparently cannot tolerate moderation. It is conceivable that if ever the belief in the divinity that doth hedge a king should be shaken in the Japanese, they might be disposed to treat the monarch with scant ceremony, even if they did not found a republic. My own conviction is that the cult of Imperialism is bound to weaken during succeeding reigns under rulers who, not to the manner born as is His present Majesty, will find the sacrosanct rôle more and more trying. Thus a new factor will be introduced into the political situation, the extent of whose operation cannot at the moment be accurately gauged.

I have the fullest belief in the ability of Japan to cope with the problems of the future, as she has coped with those of the past, and if in these chapters I have tried to place my finger upon the weak links in her awe-inspiring panoply it is not because I wish to prophesy her ultimate undoing, but rather because the recent proneness of neurasthenic publicists to dwell solely upon her military and naval supremacy in the Pacific and on the mainland of East Asia has created a state of affairs not at all conducive to international harmony and economic prosperity in those regions. How far

this feeling of unrest and alarm can affect the material well-being of its victims has been seen in East Siberia, where distrust of Japan has seriously retarded commercial and industrial enterprises and finally attained such dimensions that the central Russian Government felt bound to issue a special *Communiqué* in 1909, with the object of allaying these panic fears. An even more efficacious remedy for this state of mind would be fuller knowledge of Japan as she really is, not only on the mainland, but within her island gates. The chapter of accidents is necessarily uncertain, but other things equal, nobody who knows the number and complexity of the purely domestic issues which await Japan in the near and distant future can honestly share the belief that she is committed to a policy of warlike aggression as a substitute for one of peace and normal, albeit less spectacular, progress. It has been fashionable to harp upon the singularities of the Japanese and the lines of demarcation which separate them from the rest of mankind. I am not blind to these differences, but they are more incidental than fundamental and are almost certain to yield to changes of environment which must follow extended intercourse between East and West. Vast progress has already been made since the early days of Meiji. In her national actions Japan has usually proved herself eclectic and co-operative, and it is insensate folly to suppose that she is seeking permanent alienation from the Occident. That she should deem herself entitled to make her voice heard in the destinies of the Far

East is perfectly natural, perfectly right, and absolutely inevitable, but this does not mean armed isolation. Japan can never be strong enough to achieve any such disastrous ideal, and her leaders know enough of the world's history not to enter the lists with the deliberate intent of compelling all other rivals to acquiesce in a Japanese Far Eastern hegemony.

So much nonsense has been talked about Japan, in the world's Press and in books written by globe-trotting nonentities, that the guileless auditory of these blind ones presuming to guide the blind may be excused for thinking that there is something fundamentally and radically different between the people of Japan and the people of the West. In this context I may well quote the Buddhistic proverb, *Shō-rō-byō-shi no shi ku wo nogaruru mono wa nai* ("There are none who escape the four sorrows of birth, old-age, disease, and death") and the Japanese saying—*Idzuku no tori no naku ne wa onaji* ("The cry of a bird is the same anywhere"). The truth embodied in the foregoing quotations is so self-evident, that I think it may be asserted without fear of contradiction, that mankind in its ultimate essentials is about the same the wide world over. To paraphrase Herbert Spencer, human nature knows nothing of geographical boundaries nor distinctions of race.

Japanese human nature, then, is very much on a par with human nature elsewhere. It is always unsafe to indulge in sweeping generalities about a people.

There are bad Japanese and good Japanese, strange as it may seem, just as there are good and bad of every known nationality on earth; and, what may impress the anti-Japanese red-rag ravers as still more incredible, the good Japanese are in a very appreciable majority, which fact again furnishes a point of contact with the remaining races of mankind. The only really vital consideration is that the customs of the East and of the West are so extremely antithetical in their distinctive characteristics, that it is a matter of great difficulty to prevent friction between Occidental and Oriental points of view, not on account of any inherent vice or malicious diposition on either side, but owing to a lack of sympathy and common interest. In other words, the Oriental looks at a given matter from a certain standpoint which to the Westerner not infrequently seems in the highest degree absurd. And yet, when one comes to understand the underlying motives and mainsprings of Oriental thought, one sees that often enough the logic of the situation is not entirely on the side of the Westerner. This being the case, the Japanese, notwithstanding their progress in Western science, and their remarkable materialistic achievements, being beneath the surface an essentially Oriental people, the basis of whose civilization is the philosophy of India and China, cannot be rightly comprehended without long study of their national life and aspirations. Not until East and West have arrived at this mutual understanding can the wide gulf of subjectivity which at present divides them, be successfully bridged.

As one who has passed some of the best years of his life in Japan, and as a profound admirer of many Japanese institutions and qualities, I would fain record my own conviction that Japan is neither the angel of light she has been depicted by her indiscreet admirers, nor the power of darkness her detractors insist. She might well quote the words which Shakespeare puts into the mouth of Shylock in his plea for Jewish identity with the human species. Being human, her actions cannot rise higher than their source; in other words, no conjunction of circumstances can possibly supervene in the Far East which will not prove amenable to ultimate adjustment.

APPENDICES

APPENDICES

THE ANGLO-JAPANESE TREATY OF ALLIANCE

(Official Text made public Sept. 27, '05.)

PREAMBLE

"The Governments of Japan and Great Britain, being desirous of replacing the Agreement concluded between them on the 30th January, 1902, by fresh stipulations, have agreed upon the following Articles, which have for their object:

(*a*).—The consolidation and maintenance of the general peace in the regions of Eastern Asia and of India;

(*b*).—The preservation of the common interests of all Powers in China by insuring the independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations in China;

(*c*).—The maintenance of the territorial rights of the High Contracting Parties in the regions of Eastern Asia and of India, and the defence of their special interests in the said regions.

Art. I.—It is agreed that whenever, in the opinion of either Japan or Great Britain, any of the rights and interests referred to in the preamble of this Agreement are in jeopardy, the two Governments will communicate with one another fully and frankly, and will consider in common the measures which should be taken to safeguard those menaced rights or interests.

Art. II.—If by reason of unprovoked attack or aggressive action, wherever arising, on the part of any other Power or Powers, either Contracting Party should be involved in war in defence of its territorial rights or specia interests mentioned in the Preamble of this Agreement, the other Contracting Party will at once come to the assistance of its Ally, and will conduct the war in common, and make peace in mutual agreement with it.

Art. III.—Japan possessing paramount political, military, and economic interests in Korea, Great Britain recognizes the right of Japan to take such measures of guidance, control, and protection in Korea as she may deem proper and necessary to safeguard and advance these interests, provided always that such measures are not contrary to the principle of equal opportunities for the commerce and industry of all nations.

Art. IV.—Great Britain having a special interest in all that concerns the security of the Indian frontier, Japan recognizes her right to take such measures in the proximity of that frontier as she may find necessary for safeguarding her Indian possessions.

Art. V.—The High Contracting Parties agree that neither of them will, without consulting the other, enter into separate arrangements with another Power to the prejudice of the objects described in the Preamble of this Agreement.

Art. VI.—As regards the present war between Japan and Russia, Great Britain will continue to maintain strict neutrality unless some other Power or Powers should join in hostilities against Japan, in which case Great Britain will come to the assistance of Japan, and will conduct the war in common, and make peace in mutual agreement with Japan.

Art. VII.—The conditions under which armed assistance shall be afforded by either Power to the other in the circumstances mentioned in the present Agreement, and the means by which such assistance is to be made available, will be arranged by the Naval and Military authorities of the Contracting Parties, who will from time to time consult one another fully and freely upon all questions of mutual interest.

Art. VIII.—The present Agreement shall, subject to the provisions of Article VI., come into effect immediately after the date of its signature, and remain in force for ten years from that date.

In case neither of the High Contracting Parties should have notified twelve months before the expiration of the said ten years the intention of terminating it, it shall remain binding until the expiration of one year from the day on which either of the High Contracting Parties shall have denounced it. But if, when the date fixed for its expiration arrives, either Ally is actually engaged in war, the Alliance shall, *ipso facto*, continue until peace is concluded.

In faith whereof the Undersigned, duly authorized by their respective Governments, have signed this Agreement and have affixed thereto their seals.

Done in duplicate at London, the 12th day of August, 1905.

(Seal) Signed. TADASU HAYASHI,
Envoy Extraordinary and Minister Plenipotentiary of His Majesty the Emperor of Japan at the Court of St. James.

(Seal) Signed. LANSDOWNE,
His Britannic Majesty's Principal Secretary of State for Foreign Affairs."

THE AMERICAN-JAPANESE UNDERSTANDING

NOTES

Exchanged between the Japanese Ambassador at Washington and the Secretary of State of the United States

From the Japanese Ambassador to the Secretary of State

Japanese Embassy,
Washington, Nov. 30, 1908.

Sir:—

The exchange of views between us which has taken place at the several interviews which I have recently had the honour of holding with you, has shown that Japan and the United States holding important outlying insular possessions in the region of the Pacific Ocean, the Governments of the two countries are animated by a common aim, policy, and intention in that region.

Believing that a frank avowal of that aim, policy, and intention would not only tend to strengthen the relations of friendship and good neighbourhood which have immemorially existed between Japan and the United States, but would materially contribute to the preservation of the general peace, the Imperial Government have authorized me to present to you an outline of their understanding of that common aim, policy, and intention:

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean;

2. The Policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing *status quo* in the region above mentioned and to the defence of the principle of equal opportunity for commerce and industry in China;

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region;

4. They are also determined to preserve the common interests of all Powers in China, by supporting, by all pacific means at their disposal, the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire;

5. Should any event occur threatening the *status quo* as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other as to what measures they may consider it useful to take.

If the foregoing outline accords with the view of the Government of the United States, I shall be gratified to receive your confirmation.

I take, etc., etc.,

K. Takahira.

From the Secretary of State to the Japanese Ambassador

Department of State,
Washington, Nov. 30, 1908.

Excellency:

I have the honour to acknowledge the receipt of your Note of to-day, setting forth the result of the exchange of views between us in our recent interviews, defining the understanding of the two Governments in regard to their policy in the region of the Pacific Ocean.

It is a pleasure to inform you that this expression of mutual understanding is welcome to the Government of the United States as appropriate to the happy relations of the two countries and as the occasion of a concise mutual affirmation of that accordant policy respecting the Far East, which the two Governments have so frequently declared in the past.

I am happy to be able to inform Your Excellency, on behalf of the United States, of the declaration of the two Governments embodied in the following words:—

(Here follows a declaration indentical with that given by Baron Takahira, and the signature of Mr. Elihu Root.)

RUSSIA

TREATY BETWEEN RUSSIA AND CHINA

Signed, in the Russian, Chinese, and French Languages, at St. Petersburg, 12th February, 1881

Ratifications exchanged at St. Petersburg, 19th August, 1881

(Translated from the French Text)

His Majesty the Emperor and Autocrat of all the Russias and His Majesty the Emperor of China, desiring to regulate some questions of frontier and trade touching the interests of the two Empires, in order to cement the relations of friendship between the two countries, have named for their plenipotentiaries, to the effect of establishing an agreement on these questions:—

His Majesty the Emperor of all the Russias: His Secretary of State Nicholas de Giers, Senator, Actual Privy Councillor, directing the Imperial Ministry of Foreign Affairs, and his Envoy Extraordinary and Minister Plenipotentiary to His Majesty the Emperor of China, Eugène de Buzow, Actual Councillor of State.

And His Majesty the Emperor of China: Tseng, Marquess of Neyong, Vice-President of the high court of justice, his Envoy Extraordinary and Minister Plenipotentiary to His Majesty the Emperor of all the Russias, furnished with special powers to sign the present Treaty in quality of Ambassador Extraordinary:—

The above named plenipotentiaries, furnished with full powers, which have been found sufficient, have agreed upon the following stipulations:—

Art. I.—His Majesty the Emperor of all the Russias consents to the re-establishment of the Chinese Government in the country of Ili, temporarily occupied since 1871 by the Russian Armies. Russia remains in possession of this country within the limits indicated by Article VII. of the present Treaty.

Art. II.—His Majesty the Emperor of China engages to decree the proper measures to shelter the inhabitants of the country of Ili, of whatever race and to whatever religion they belong, from all persecution, in their goods or in their persons, from acts committed during or after the troubles that have taken place in that country.

A proclamation in conformity with this engagement will be addressed by the Chinese authorities, in the name of His Majesty the Emperor of China,

to the population of the country of Ili, before the restoration of this country to the said authorities.

Art. III.—The inhabitants of the country of Ili will be free to remain in the places of their actual residence as Chinese subjects, or to emigrate to Russia and to adopt Russian dependence. They will be called to pronounce themselves on the subject before the re-establishment of Chinese authority in the country of Ili, and a delay of one year, from the date of the restoration of the country to the Chinese authorities, will be accorded to those who show a desire to emigrate to Russia. The Chinese will oppose no impediment to their emigration or to the transportation of their movable property.

Art. IV.—Russian subjects possessing land in the country of Ili will keep their rights of property, even after the re-establishment of the authority of the Chinese Government in that country.

This provision is not applicable to the inhabitants of the country of Ili who shall adopt Russian nationality upon the re-establishment of Chinese authority in this country.

Russian subjects whose lands are situated without places appropriated to Russian factories, in virtue of Article XIII. of the Treaty of Kuldja of 1851, ought to discharge the same taxes and contributions as Chinese subjects.

Art. V.—The two governments will appoint commissioners of Kuldja, who will proceed to the restoration on the one part, to the resumption on the other, of the administration of the province of Ili, and who will be charged, in general, with the execution of the stipulations of the present Treaty relating to the re-establishment, in this country, of the Chinese Government.

The said commissioners will fulfil their commission, in conforming to the understanding which will be established as to the mode of restoration on the one part and of resumption on the other, of the administration of the country of Ili, between the Governor-General of Shansi and Kansuh, charged by the two governments with the high direction of the affair.

The resumption of the country of Ili should be finished within a delay of three months or sooner, if it can be done, dating from the day of the arrival at Tashkent of the functionary who will be delegated by the Governor-General of Shansi and Kansuh to the Governor-General of Turkestan to notify to him the ratification and the promulgation of the present Treaty by His Majesty the Emperor of China.

Art. VI.—The Government of His Majesty the Emperor of China will pay to the Russian Government the sum of *nine millions of metallic roubles*, designed to cover the expenses occasioned by the occupation of the country of Ili by the Russian troops since 1871, to satisfy all the pecuniary claims arising from, up to the present day, the losses which Russian subjects have suffered in their goods pillaged on Chinese territories, and to furnish relief to the

families of Russian subjects killed in armed attacks of which they have been victims on Chinese territory.

The above-mentioned sum of nine millions of metallic roubles will be paid within a term of two years from the date of the exchange of the ratifications of the present Treaty, according to the order and the conditions agreed upon between the two Governments in the special Protocol annexed to the present Treaty.

Art. VII.—The western portion of the country of Ili is incorporated with Russia, in order to serve as a place of settlement for the inhabitants of this country who shall adopt Russian nationality and who, by this action, will have had to abandon the lands which they possessed there.

The frontier between the possessions of Russia and the Chinese province of Ili will follow, starting from the mountains Bèdjin-taou, the course of the river Khorgos, as far as the place where this river falls into the river Ili, and, crossing the latter, will take a direction to the south, towards the mountains Ouzoun-taou, leaving to the west the village of Kuldja. Proceeding from this point it will follow, whilst being directed to the south, the delineation fixed by the protocol signed at Tchuguchack in 1864.

Art. VIII.—A part of the frontier line, fixed by the protocol signed at Tchuguchack in 1864, to the east of Lake Zaisan, having been found defective, the two Governments will name commissioners who will modify, by a common agreement, the old delineation in such a manner as to remove the defects pointed out and to establish an effective separation between the Kirghiz tribes subject to the two Empires.

To the new delineation will be given, as much as possible, an intermediate direction between the old frontier and a straight line leading from the Kouitoun hills towards the Saour hills, crossing the Tcherny-Irtysh.

Art. IX.—The commissioners to be named by the two contracting parties will proceed to place posts of demarcation, as well on the delineation fixed by the preceding Articles VII. and VIII., as on the part of the frontier where posts have not yet been placed. The time and the place of meeting of these commissioners shall be fixed by an understanding between the two Governments.

The two Governments will also name commissioners to examine the frontier and to place posts of demarcation between the Russian province of Ferganah and the western part of the Chinese province of Kashgar. The commissioners will take for the base of their work the existing frontier.

Art. X.—The right recognized by the Treaties of the Russian Government to nominate Consuls to Ili, to Tarbagatai, to Kashgar, and to Urga is extended, from the present time, to the towns of Soutcheou (Tsia-yu-kwan) and of Turfan. In the following towns: Kobdo, Uliassoutai, Khami, Urumtsi, and Goutchen, the Russian Government will establish consulates in propor-

tion to the development of commerce, and after an understanding with the Chinese Government.

The consul of Soutcheou (Tsia-yu-kwan) and of Turfan will exercise consular functions in the neighbouring districts, where the interests of Russian subjects demand their presence.

The dispositions contained in Articles V. and VI. of the Treaty concluded at Peking in 1860, and relative to the concession of land for the houses for the consulates, for cemeteries, and for pasturage, will apply equally to the towns of Soutcheou (Tsia-yu-kwan) and of Turfan. The local authorities will aid the Consul to find provisional habitations until the time when the houses of the consulates shall be built.

The Russian Consuls in Mongolia and in the districts situated on the two slopes of the Tien-shan will make use of, for their journeys and for their correspondence, the postal institutions of the Government, conformably to the stipulations of Article XI. of the Treaty of Tientsin and of Article XII. of the Treaty of Peking. The Chinese authorities, to whom they will address themselves for this purpose, will lend them aid and assistance.

The town of Turfan not being a locality open to foreign trade, the right of establishing a consulate will not be invoked as a precedent to obtain a right analogous to the ports of China for the provinces of the interior and for Manchuria.

Art. XI.—Russian Consuls will communicate, for affairs of service, either with the local authorities of the town of their residence, or with the superior authorities of the circuit or of the province, according as the interests which are respectively confided to them, the importance of the affairs to be treated of, and their prompt expedition shall require. As to the rules of etiquette to be observed at the time of their interviews and, in general, in their relations, they will be based upon the respect which the functionaries of two friendly Powers reciprocally owe each other.

All the affairs which may arise on Chinese territory, on the subject of commercial or other transactions, between those under the jurisdiction of the two states, will be examined and regulated, by a common agreement, by the Consuls and the Chinese authorities.

In lawsuits on commercial matters, the two parties will terminate their difference amicably by means of arbitrators chosen by one side and the other. If agreement is not established in this way, the affair will be examined and regulated by the authorities of the two States.

Engagements contracted in writing, between Russian and Chinese subjects, relative to orders for merchandise, to the transport of it, to the location of shops, of houses, and of other places, or relating to other transactions of the same kind, may be presented for legalization by the consulate and by the superior local administrations, who are bound to legalize

the documents which are presented to them. In case of non-execution of the engagements contracted, the Consul and the Chinese authorities will consult as to the measures necessary to secure the execution of these obligations.

Art. XII.—Russian subjects are authorized to carry on, as in the past, trade free of duties in Mongolia subject to China, as well as in places and aimaks where there is a Chinese administration as in those where there is none.

Russian subjects will equally enjoy the right of carrying on trade free of duties in the towns and other localities of the provinces of Ili, of Tarbagatai, of Kashgar, of Urumtsi, and others situated on the slopes north and south of the chain of the Tien-shan as far as the Great Wall. This immunity will be abrogated when the development of the trade necessitates the establishment of a Customs tariff, conformably to an understanding to be come to by the two Governments.

Russian subjects can import into the above-named provinces of China and export from them every description of produce, of whatever origin they may be. They may make purchases and sales, whether in cash, or by way of exchange; they will have the right to make their payments in merchandise of every description.

Art. XIII.—In the places where the Russian Government will have the right to establish consulates, as well as in the town of Kalgan, Russian subjects may construct houses, shops, warehouses, and other buildings on the lands which they will acquire by means of purchase, or which may be conceded to them by the local authorities, conformably to that which has been established for Ili and Tarbagatai, by Article XIII. of the Treaty of Kuldja of 1851.

The privileges granted to Russian subjects, in the town of Kalgan, where there will not be a consulate, constitute an exception which cannot be extended to any other locality of the interior provinces.

Art. XIV.—Russian merchants who may wish to dispatch merchandise from Russia, by land, into the interior provinces of China, can, as formerly, direct it by the towns of Kalgan and Tungchow, to the port of Tientsin, and from there to the other ports and interior markets, and sell it in those different places.

Merchants will use this same route to export to Russia the merchandise purchased, as well in the towns and ports above named as in the interior markets.

They will equally have the right to repair, for matters of trade, to Soutcheou (Tsia-yu-kwan), the terminal point of the Russian caravans, and they will enjoy there all the rights granted to Russian trade at Tientsin.

Art. XV.—Trade by land, exercised by Russian subjects in the interior and exterior provinces of China, will be governed by the Regulations annexed to the present Treaty.

The commercial stipulations of the present Treaty, as well as the Regulations which serve as a supplement to it, can be revised after an interval of ten years has elapsed from the date of the exchange of ratifications of the Treaty: but if, in the course of six months before the expiration of this term, neither of the contracting parties manifest a desire to proceed to the revision, the trade stipulations as well as the Regulations will remain in force for a new term of ten years.

Trade by sea route of Russian subjects in China will be subject to the general regulations established for foreign maritime commerce in China. If it becomes necessary to make modifications in these regulations, the two Governments will establish an understanding on this subject.

Art. XVI.—If the development of Russian overland trade provokes the necessity of the establishment, for goods of export and import in China, of a Customs tariff, more in relation than the tariffs actually in force to the necessities of that trade, the Russian and Chinese Governments will proceed to an understanding on this subject, by adopting as a base for settling the duties of entry and exit the rate of five per cent. of the value of the goods.

Until the establishment of this tariff, the export duties on some kinds of teas of inferior quality, actually imposed at the rates established for the tea of superior quality, will be diminished proportionately to their value. The settling of these duties will be proceeded with, for each kind of tea, by an understanding between the Chinese Government and the envoy of Russia to Peking, within the term of one year, at the latest, from the date of the ratifications of the present Treaty.

Art. XVII.—Some divergencies of opinion having arisen hitherto as to the application of Article X. of the Treaty concluded at Peking, in 1860, it is established by these presents, that the stipulations of the above-named article, relative to the recoveries to be effected, in case of theft and the harbouring of cattle beyond the frontier, will be for the future interpreted in this sense, that at the time of the discovery of the individuals guilty of theft or the harbouring of cattle, they will be condemned to pay the real value of the cattle which they have not restored. It is understood that in case of the insolvency of the individuals guilty of theft of cattle, the indemnity to be paid cannot be placed to the charge of the local authorities.

The frontier authorities of the two States will prosecute with all the rigor of the laws of their country, the individuals guilty of the harbouring of or theft of cattle, and should take the measures in their power for the restitution to whom they belong of cattle diverted, or which may have passed the frontier.

The traces of cattle turned aside or which may have passed the frontier may be indicated, not only to the guards of the frontier posts, but also to the elders of the nearest villages.

Art. XVIII.—The stipulations of the Treaty concluded at Aigun the 16th May, 1858, concerning the rights of the subjects of the two Empires to navigate the Amur, the Sungari, and the Ussuri, and to carry on trade with the populations of the riverine localities, are and remain confirmed.

The two Governments will proceed to the establishment of an understanding concerning the mode of application of the said stipulations.

Art. XIX.—The stipulations of the old treaties between Russia and China, not modified by the present Treaty, remain in full vigour.

Art. XX.—The present Treaty, after having been ratified by the two Emperors, will be promulgated in each Empire for the knowledge and governance of each one. The exchange of ratifications will take place at St. Petersburg, within a period of six months counting from the day of the signature of the Treaty.

Having concluded the above Article, plenipotentiaries of the two contracting parties have signed and sealed two copies of the present Treaty, in the Russian, Chinese, and French languages. Of the three texts, duly compared and found in agreement, the French text will be evidence for the interpretation of the present Treaty.

Done at St. Petersburg, the twelfth of February, eighteen hundred and eighty-one.

Signed	(L.S.)	NICOLAS DE GIERS.
"	(L.S.)	EUGENE BUTZOW.
"	(L.S.)	TSENG.

PROTOCOL.

In virtue of Article VI. of the Treaty signed to-day by the plenipotentiaries of the Russian and Chinese Governments, the Chinese Government will pay to the Russian Government the sum of *nine millions of metallic roubles*, designed to cover the expenses of the occupation of the country of Ili by the Russian troops and to satisfy divers pecuniary claims of Russian subjects. This sum shall be paid within a period of two years counting from the day of the exchange of the ratifications of the Treaty.

Desiring to fix the mode of payment of the aftermentioned sum the undersigned have agreed as follows:—

The Chinese Government will pay the equivalent of the sum of nine millions of metallic roubles in pounds sterling, say one million four hundred and thirty-one thousand six hundred and sixty-four pounds sterling two shillings to Messrs. Baring Brothers & Co. in London, in six equal parts, of two hundred and thirty-eight thousand six hundred and ten pounds sterling thirteen shillings and eightpence each, less the customary bank charge which may be occasioned by the transfer of these payments to London.

The payments shall be scheduled at four months' distance the one from the other; the first shall be made four months after the exchange of the ratifications of the Treaty signed to-day, and the last two years after the exchange.

The present protocol will have the same force and value as if it had been inserted word for word in the Treaty signed to-day.

In faith of which the plenipotentiaries of the two Governments have signed the present protocol and have placed their seals to it.

Done at St. Petersburg, the twelfth of February, one thousand eight hundred and eighty-one.

(Signed)	(L.S.)	NICOLAS DE GIERS.
"	(L.S.)	EUGENE BUTZOW.
"	(L.S.)	TSENG.

REGULATIONS FOR THE LAND TRADE BETWEEN RUSSIA AND CHINA

Art. I.—A trade by free exchange and free of duty (free trade) between Russian and Chinese subjects is authorized within a zone extending for fifty versts (100 li) on either side of the frontier. The supervision of this trade will rest with the two Governments, in accordance with their respective frontier regulations.

Art. II.—Russian subjects proceeding on business to Mongolia and to the districts situated on the northern and southern slopes of the Tian-shan mountains may only cross the frontier at certain points specified in the list annexed to these regulations. They must procure from the Russian authorities permits in the Russian and Chinese languages, with Mongolian and Tartar translation. The name of the owner of the goods, or that of the leader of the caravan, a specification of the goods, the number of packages, and the number of head of cattle may be indicated in the Mongolian or Tartar languages, in the Chinese text of these permits. Merchants, on entering Chinese territory, are bound to produce their permits at the Chinese post nearest to the frontier, where, after examination, the permit is to be countersigned by the chief of the post. The Chinese authorities are entitled to arrest merchants who have crossed the frontier without permit, and to deliver them over to the Russian authorities nearest to the competent Russian Consul, for the infliction of a severe penalty. In case of the permit being lost, the owner is bound to give notice to the Russian Consul, in order that a fresh one may be issued to him, and inform the local authorities, in order to obtain a temporary certificate which will enable him to pursue his journey. Merchandise introduced into Mongolia and the districts situated on the slopes of the Tian-shan, but which have found no sale there, may be forwarded to the towns of Tientsin and Soutcheou (Tsia-yu-kwan), to be sold or to be sent farther into China. With regard to the duties on such merchandise, to the issue of permits for its carriage, and to other Customs formalities, proceedings shall be taken in accordance with the following provisions.

Art. III.—Russian merchants forwarding goods from Kiakhta and the Nerchinsk country to Tientsin must send them by way of Kalgan, Dounba, and Toun-tcheou. Merchandise forwarded to Tientsin from the Russian frontier by Kobdo and Kouihoua-tchen is to follow the same route. Merchants must be provided with transport permits issued by the Russian

authorities, and duly *visèd* by the competent Chinese authorities, which must give, in the Chinese and Russian languages, the name of the owner of the goods, the number of packages, and a description of the goods they contain. The officials of the Chinese Custom-houses situated on the road by which merchandise is forwarded will proceed, without delay, to verify the number of the packages, and to examine the goods, which they will allow to pass onwards, after fixing a *visa* to the permit. Packages opened in the course of the Customs examinations, will be closed again at the Custom-house, the number of packages opened being noted on the permit. The Customs examination is not to last more than two hours. The permits are to be presented within a term of six months at the Tientsin Custom-house to be cancelled. If the owner of the goods finds this term insufficient, he must at the proper time and place give notice to the Chinese authorities. In case of the permit being lost the merchant must give notice to the authorities who delivered it to him to obtain a duplicate and must for that purpose make known the number and date of the missing permit. The nearest Custom-house on his road, after having ascertained the accuracy of the merchant's declaration, will give him a provisional certificate, accompanied by which his goods may proceed on their journey. An inaccurate declaration of the quality of the goods, if it be proved that it was intended to conceal the sales effected on their road, or to escape payment of duty, will render the merchant liable to the infliction of the penalties laid down by Art. VIII. of the present regulations.

Art. IV.—Russian merchants who may wish to sell at Kalgan any portion of the goods brought from Russia must make a declaration to that effect to the local authorities within the space of five days. Those authorities, after the merchant has paid the whole of the entrance duties, will furnish him with a permit for the sale of the goods.

Art V.—Goods brought by Russian merchants by land from Russia to Tientsin will pay an entrance duty equivalent to two-thirds of the rate established by the tariff. Goods brought from Russia to Soutcheou (Tsia-yu-kwan) will pay in that town the same duties and be subject to the same regulations as at Tientsin.

Art. VI.—If the goods left at Kalgan, having paid the entrance duties, are not sold there, their owner may send them on to Toun-tcheou, or to Tientsin, and the Customs authorities, without levying fresh duties, will repay to the merchant one-third of the entrance duty paid at Kalgan, a note to that effect being made on the permit issued by the Kalgan Custom-house. Russian merchants, after paying transit dues, *i.e.*, one-half of the duty specified in the tariff, may forward to the internal markets goods left at Kalgan which have paid the entrance dues, subject only to the general regulations established for foreign trade in China. A transport permit, which is to be produced at all the Custom-houses and barriers on the road,

will be delivered for these goods. Goods not accompanied by such permit will have to pay duty at the Custom-houses they pass, and *likin* at the barriers.

Art. VII.—Goods brought from Russia to Soutcheou (Tsia-yu-kwan) may be forwarded to the internal markets under the conditions stipulated by Art. IX. of these Regulations for goods forwarded from Tientsin destined for the internal market.

Art. VIII.—If it be ascertained, when the Customs examination of goods brought from Russia to Tientsin takes place, that the goods specified in the permit have been withdrawn from the packages and replaced by others, or that their quantity (after deducting what has been left at Kalgan) is smaller than that indicated in the permit, the whole of the goods included in the examination will be confiscated by the Customs authorities. It is understood that packages damaged on the road, and which, consequently, have been repacked, shall not be liable to confiscation, provided always that such damage has been duly declared at the nearest Custom-house, and that a note to such effect has been made by the office after it has ascertained the untouched condition of the goods as at first sent off. Goods concerning which it is ascertained that a portion has been sold on the road will be liable to confiscation. If goods have been taken by by-ways in order to evade their examination at the Custom houses established on the routes indicated in Art. III., the owner will be liable to a fine equal in amount to the whole entrance duty. If a breach of the aforesaid regulations has been committed by the carriers, without the knowledge or connivance of the owner of the goods, the Customs authorities will take this circumstance into consideration in determining the amount of the fine. This provision only applies to localities through which the Russian land trade passes, and is not applicable to similar cases arising at the ports and in the interior of the provinces. When goods are confiscated the merchant is entitled to release them by paying the equivalent of their value, duly arrived at by an understanding with the Chinese authorities.

Art. IX.—On the exportation by sea from Tientsin to some other Chinese port opened to foreign trade by treaty of goods brought from Russia by land, the Tientsin Customs will levy on such goods one-third of the tariff duty, in addition to the two-thirds already paid. No duty shall be levied on these goods in other ports. Goods sent from Tientsin or the other ports to the internal markets are subject to transit dues (*i.e.*, half of the tariff duty) according to the general provisions laid down for foreign trade.

Art. X.—Chinese goods sent from Tientsin to Russia by Russian merchants must be forwarded to Kalgan by the route indicated under Art. III. The entire export duty will be levied on these goods when they leave the country. Nevertheless, re-imported goods bought at Tientsin, as well as

those bought in another port and forwarded *in transitu* to Tientsin to be exported to Russia, if accompanied by a Customs receipt for the export duty, shall not pay a second time, and the half re-importation duty (coasting duty) paid at Tientsin will be repaid to the merchants if the goods upon which it has been paid are exported to Russia a year from the time of such payment. For the transport of goods in Russia the Russian Consul will issue a permit indicating in the Russian and Chinese languages the name of the owner of the goods, the number of packages, and the nature of the goods they contain. These permits will be *visé'd* by the Port Customs authorities and must accompany the goods for production when they are examined at the Custom-houses on the road. The rules given in detail in Article III. will be observed as to the term within which the permit is to be presented to the Custom-house to be cancelled, and as to the proceedings in case of the permit being lost. Goods will follow the route indicated by Article III., and are not to be sold on the road; a breach of this rule will render the merchant liable to the penalties provided for under Article VIII. Goods will be examined at the Custom-houses on the road in accordance with the rules laid down under Article III. Chinese goods bought by Russian merchants at Soutcheou (Tsia-yu-kwan), or brought by them from the internal markets to be forwarded to Russia, on leaving Soutcheou for Russia will have to pay the duty leviable upon goods exported from Tientsin, and will be subject to the regulations established for that port.

Art. XI.—Goods bought at Toun-tcheou, on leaving that place for Russia by land, will have to pay the full export duty laid down by the tariff. Goods bought at Kalgan will pay in that town, on leaving for Russia, a duty equivalent to half the tariff rate. Goods bought by Russian merchants in the internal markets, and brought to Toun-tcheou and Kalgan to be forwarded to Russia, will moreover be subject to transit dues, according to the general rules established for foreign trade in the internal markets. The local Custom-houses of the aforesaid towns after levying the duties will give the merchant a transport permit for the goods. For goods leaving Toun-tcheou this permit will be issued by the Dounba Customs authorities, to whom application is to be made for it, accompanied by payment of the duties to which the goods are liable. The permit will mention the prohibition to sell goods on the road. The rules given in detail in Article III. relative to permits, the examination of goods, &c., will apply in like manner to goods exported from the places mentioned in this Article.

Art. XII.—Goods of foreign origin sent to Russia by land from Tientsin, Toun-tcheou, Kalgan, and Soutcheou (Tsia-yu-kwan) will pay no duty if the merchant produces a Customs receipt acknowledging payment of the import and transit duties on those goods. If they have only paid entrance duties the competent Custom-house will call upon the merchant for the payment of the transit dues fixed by the tariff.

Art. XIII.—Goods imported into China by Russian merchants, or exported by them, will pay Customs duties according to the general tariff for foreign trade with China, and according to the additional tariff drawn up for Russian trade in 1862.

Goods not enumerated in either of those tariffs will be subject to a 5 per cent. *ad valorem* duty.

Art. XIV.—The following articles will be admitted free of export and import duty:—Gold and silver ingots, foreign coins, flour of all kinds, sago, biscuits, preserved meats and vegetables, cheese, butter, confectionery, foreign clothes, jewellery and silver plate, perfumery and soaps of all kinds, charcoal, firewood, handles of foreign manufacture, foreign tobacco and cigars, wine, beer, spirits, household stores and utensils to be used in houses and on board ship, travellers' luggage, official stationery, tapestries, cutlery, foreign medicines, glassware, and ornaments. The afore-mentioned articles will pass duty free on entering and on leaving by land; but if they are sent from the towns and ports mentioned in these regulations to the internal markets they will pay a transit duty of 2½ per cent. *ad valorem*. Travellers' luggage, gold and silver ingots, and foreign coins will, however, not pay this duty.

On import or export of the above-mentioned articles overland they shall be passed free of duty, but on their being sent to the inland marts from towns or ports mentioned in these Rules, they shall be liable to transit-duty at the rate of 2½ per cent. *ad valorem*. This duty, however, shall not be imposed upon travelling luggage, gold and silver ingots, and foreign money.

Art. XV.—The following articles are not allowed to be imported or exported, and in the event of their being smuggled, are liable to confiscation:—

Powder, projectiles, cannon, guns, rifles, pistols, and every description of firearm, military stores and supplies, salt, opium.

Russian subjects travelling to China may have with them for self-defence one gun or pistol each, notice of which must be given in the permits which they carry.

The import by Russians of saltpetre, sulphur, and lead is allowed only by special permission of the Chinese authorities: these articles may be sold only to such Chinese subjects as have the requisite authorization to purchase them.

The export of rice and Chinese copper money is prohibited. The import of rice, as also of every kind of grain, is allowed free of duty.

Art. XVI.—The transport of goods belonging to Chinese merchants is forbidden to Russian merchants attempting to pass them off as their own property.

Art. XVII.—The Chinese authorities are entitled to take the necessary measures against smuggling.

Done at St. Petersburg, the 12th-24th February, 1881.

Signed	(L.S.)	NICOLAS DE GIERS.
"	(L.S.)	EUGENE BUTZOW.
"	(L.S.)	TSENG.

PROTOCOL.

The undersigned Nicolas de Giers, Secretary of State, Actual Privy Councillor directing the Imperial Ministry of Foreign Affairs, and Tseng, Marquess of Neyong, Vice-President of the High Court of Justice, Envoy Extraordinary and Minister Plenipotentiary of His Majesty the Emperor of Russia, have met at the hotel of the Ministry of Foreign Affairs to proceed to the exchange of the acts of ratification of the Treaty between Russia and China, signed at St. Petersburg, the 12th-24th February, 1881.

After perusal of the respective instruments, which have been acknowledged textually conformable to the original act, the exchange of the act ratified by His Majesty the Emperor of Russia the 4th-16th August, 1881, against the act ratified by His Majesty the Emperor of China the 3rd-15th May, 1881, has taken place according to custom.

In faith of which the undersigned have drawn up the present *procès-verbal*, and have affixed to it the seal of their arms.

Done at St. Petersburg, the twelfth of February, one thousand eight hundred and eighty-one.

(Signed)	(L.S.)	NICOLAS DE GIERS.
"	(L.S.)	TSENG.

SUPPLEMENT TO ARTICLE 2 OF THE RULES FOR OVERLAND TRADE

List of frontier points through which Russian subjects proceeding to China for trade may pass.

	Russian Posts	Chinese Posts
1.	Staro-Tsirukhaituisky	Hubolchihu
2.	Tsagan-Oloevsky	Tşerintu
3.	Klyuchevskoi	Mokgedzege
4.	Kulusutaevsky	Ulyantu
5.	Chasucheyevsky	Dorolok
6.	Durulguevsky	Horin-narasu
7.	Tokhtorsky	Huratsa
8.		Bayandarga
9.	Ashinginsky	Ashinga
10.	Mentsinsky	Mindza
11.	Sharagolsky	Uyalga
12.	Kudarinsky	Kudara
13.	Kiakhta	Kiakhta
14.	Botsiisky	Hara-huchir
15.	Zhelturinsky	Chirgetei

16.	Kharatsaisky	Ortoho
17.	Khamneisky	Irekchilam
18.	Klyuchevskoi	Uyulet
19.	Khanginsky	Builtuis
20.	Okinsky	Tsai-gool
21.		Chinchilik
22.		Yustuit
23.		Suok
24.		Tsagan-obo
25.		Burgasutai
26.		Habar-usu
27.		Bakhtai
28.		Kaptagai
29.		Pereval Koksu
30.		Horgos
31.		Pereval Bedel
32.		Pereval Terekti
33.		Pereval Turugart
34.		Pereval Suiok
35.		Irkeshtam.

This list of transit points may be changed by agreement between the Russian Minister at Peking and the Chinese Ministry for Foreign Affairs, on the basis of data which shall be furnished them by the Russian Consuls and the Chinese frontier authorities with reference to the convenience of these points. These alterations may consist of the exclusion of several points which may appear superfluous, or of the substitution for these of others more necessary for commercial traffic.

(Signed) NICOLAS DE GIERS.

(Signed) TSENG.

(Signed) EUGENE BUTZOW.

THE HARBIN AGREEMENT CONCLUDED BETWEEN RUSSIA AND CHINA, MAY 10th, 1909.

(Translated from the original Russian by the author)

In view of the mutual misunderstandings which have arisen in the interpretation of the contract for the construction and working of the Chinese Eastern Railway, dated 27th August (Old Style) 1896 (the reign of Kwang-hsu, 22nd year, 8th month, 2nd day), on consideration of the question of the organization and introduction of public administration on the lands of the Railway, the Governments of Russia and China have established the following general rules:—

1.—On the lands of the Chinese Eastern Railway, as a fundamental principle, are recognized the sovereign rights of China, which must not be prejudiced in any way.

2.—All sovereign rights of China on the lands of the Chinese Eastern Railway are exercised by China, and neither the administration of the Railway nor public administrations shall under any pretext obstruct the exercise of these rights, if such do not infringe any of the treaties which have been concluded by the Chinese Eastern Railway Company.

3.—All the treaties of the Chinese Eastern Railway at present in operation remain as before in full force.

4.—Laws, orders, and legislative arrangements arising out of the sovereign rights of China are redacted and published by the Chinese authorities in the form of notifications.

5.—Chinese dignitaries and officials visiting the settled points (of the railway zone) shall be shown appropriate marks of respect, and attention by the administration of the Railway and the organs of public administration.

6.—On the lands of the Chinese Eastern Railway Company in settlements which possess commercial importance public administrations shall be formed. The inhabitants of these settlements, in conformity with the commercial importance of a given settlement and the number of its population, shall elect delegates who, in their turn, shall choose an Executive Committee, or the inhabitants themselves shall directly superintend public affairs and elect from their number one representative (*starshina*) who shall carry into effect the resolutions of the general assembly.

7.—On the lands of the Chinese Eastern Railway Company, both the Chinese and foreign population enjoy the same rights and assume the same obligations, without the slightest difference between them.

8.—All inhabitants who own a certain amount of immovable property or pay a certain annual rental and established taxes enjoy the right of participation in the election of delegates.

9.—The President is elected by the Assembly of Delegates from their midst, irrespective of nationality.

10.—All matters which concern the management and good order of the settlements are subject to the jurisdiction of the Assembly of Delegates. Institutions and organizations which involve the interests of only a part of the population, as, for example, churches, commercial companies, schools, charitable institutions, etc., shall be supported by means of collections from the corresponding part of the population.

11.—The Assembly of Delegates elects from its midst, irrespective of nationality, members of the Executive Committee. Their number must not be more than three. Besides this, the President of the Tsiao-she-tsui (Chinese Railway Bureau) and the President of the Railway appoint one delegate each. The members by election and the delegates together with their President constitute the Executive Committee.

12.—The President of the Assembly of Delegates is at the same time President of the Executive Committee.

13.—The President of the Tsiao-she-tsui and the President of the Railway, occupying a position higher than that of the President of the Assembly of Delegates and Executive Committee, are invested with power of control and the right of personal revision, which they exercise when this is deemed to be indispensable. Current affairs are brought to their knowledge by the delegates (members by appointment) mentioned in Paragraph 11. All resolutions emanating from the Assembly of Delegates are submitted to the President of the Tsiao-she-tsui and the President of the Railway for joint approval, after which these resolutions are published in the name of the Committee for compulsory observance by all residents, irrespective of their nationality.

14.—In the event of the disagreement of the President of the Tsias-she-tsui or the President of the Railway with the resolutions of the Assembly of Delegates, these must be transferred to the Assembly for additional investigation. Its resolution shall be deemed binding if it is passed by three-fourths of the votes of members present at the sitting of the Assembly.

15.—Important public and financial questions arising in the settlements of the expropriated zone of the Railway, on consideration by the Assembly of Delegates, are transferred to the President of the Tsiao-she-tsui (in accordance with Article 1. of the first contract of 1896) and to the administration of the Chinese Eastern Railway for joint consideration and confirmation.

16.—Lands which have been allotted specially for the needs of the Railway are subject to the independent control of the Chinese Eastern Railway, *i.e.*, for stations, workshops, and so forth. All remaining lands of the Rail-

way, which have not been leased, as also buildings which are under the exclusive control of the administration of the Railway, if these lands and buildings were not transferred, in conformity with ratified plans, to the public administrations, shall temporarily continue as before under the independent administration of the said Railway. Lands of the second category shall be temporarily exempted from all land taxes and rates.

17.—On the basis of the above-cited principles, detailed regulations must be drafted for the public administrations and police, and the proportions of the land taxes must also be fixed. The drafting of detailed regulations should be undertaken not later than a month from the day of the signing of the present Agreement.

18.—Until the drafting and enforcement of detailed regulations for the public administrations, these administrations shall be temporarily governed by the existing regulations, but with the application of Article 13 of the present Agreement concerning the controlling authority of the President of the Tsiao-she-tsui and the President of the Railway over the public administrations. In the event of disagreement of the President of the Railway or the President of the Tsiao-she-tsui with a resolution of the Assembly of Delegates and the impossibility of arriving at an understanding by means of negotiations between these two parties, the Chinese and foreign population shall elect each one delegate. The President of the Tsiao-she-tsui and the President of the Railway conjointly with the above-mentioned two delegates from the population shall elect a fifth reputable person, a Chinaman or a foreigner, in order to consider and decide the matter together. Three members by election of the Chinese Commercial Society shall be included in the composition of the Harbin City Council with the right of participation in its affairs on identical terms with the other members; at the Manchuria and Khailar stations two representatives shall be elected from the local Chinese trading society, who shall be included in the corresponding councils. In the remaining settlements, where general assemblies only exist, the Chinese commercial community shall be granted the right of participation in the consideration of affairs on identical terms with the Russian population. On the drafting of detailed regulations the election of members of the assemblies and committees shall be carried out on new principles.

The articles of the present Agreement are composed in the Russian, Chinese, and French languages in the proportion of four copies in each language. All these copies are signed in the required manner and validated by the seals of the contracting parties. In the event of disagreement, the binding text is the French.

Done at Peking, April 27th (Old Style), 1909—of the rule of Siun-tun the first year, thirtieth month, the twenty-first day. The signatures follow:—

The Russian Minister, M. Korostovets; President of the Chinese Eastern Railway, General Horvat; Minister for Foreign Affairs, Lian Dun-yan; Taotai Shi Chao-tsi of the Harbin Customs.

GREAT BRITAIN AND RUSSIA

EXCHANGE OF NOTES BETWEEN THE UNITED KINGDOM AND RUSSIA WITH REGARD TO THEIR RESPECTIVE RAILWAY INTERESTS IN CHINA

No. 1

Sir C. Scott to Count Mouravieff

The Undersigned, British Ambassador, duly authorized to that effect, has the honour to make the following declaration to his Excellency Count Mouravieff, Russian Minister for Foreign Affairs:—

Great Britain and Russia, animated by a sincere desire to avoid in China all cause of conflict on questions where their interests meet, and taking into consideration the economic and geographical gravitation of certain parts of that Empire, have agreed as follows:—

1.—Great Britain engages not to seek for her own account, or on behalf of British subjects or of others, any railway concessions to the north of the Great Wall of China, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the Russian Government.

2.—Russia, on her part, engages not to seek for her own account, or on behalf of Russian subjects or of others, any railway concessions in the basin of the Yangtsze and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the British Government.

The two Contracting Parties, having nowise in view to infringe in any way the sovereign rights of China or existing Treaties, will not fail to communicate to the Chinese Government the present arrangement, which by averting all cause of complications between them, is of a nature to consolidate peace in the Far East, and to serve the primordial interests of China herself.

(Signed) CHARLES S. SCOTT.

St. Petersburg, April 28, 1899.

No. 2

The Undersigned, Russian Minister for Foreign Affairs, duly authorized to that effect, has the honour to make the following declaration to his Excellency Sir Charles Scott, British Ambassador:—

Russia and Great Britain, animated by the sincere desire to avoid in China all cause of conflict on questions where their interests meet, and taking into consideration the economic and geographical gravitation of certain parts of that Empire, have agreed as follows:—

1.—Russia engages not to seek for her own account, or on behalf of Russian subjects or of others, any railway concessions in the basin of the Yangtsze, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the British Government.

2.—Great Britain, on her part, engages not to seek for her own account, or on behalf of British subjects or of others, any railway concessions to the north of the Great Wall of China, and not to obstruct, directly or indirectly, applications for railway concessions in that region supported by the Russian Government.

The two Contracting Parties, having nowise in view to infringe in any way the sovereign rights of China or of existing Treaties, will not fail to communicate to the Chinese Government the present arrangement, which, by averting all cause of complication between them, is of a nature to consolidate peace in the Far East, and to serve the primordial interests of China herself.

The Undersigned, etc. (Signed) Count MOURAVIEFF.
St. Petersburg, April 16 (28), 1899.

No. 2

Sir C. Scott to Count Mouravieff

In order to complete the notes exchanged this day respecting the partition of spheres for concessions for the construction and working of railways in China, it has been agreed to record in the present additional note the arrangement arrived at with regard to the line Shanhaikuan-Newchwang, for the construction of which a loan has been already contracted by the Chinese Government with the Shanghai-Hongkong Bank, acting on behalf of the British and Chinese Corporation.

The general arrangement established by the above-mentioned notes is not to infringe in any way the rights acquired under the said Loan Contract, and the Chinese Government may appoint both an English engineer and a European accountant to supervise the construction of the line in question, and the expenditure of the money appropriated to it. But it remains understood that this fact cannot be taken as constituting a right of property or foreign control, and that the line in question is to remain a Chinese line, under the control of the Chinese Government and cannot be mortgaged or alienated to a non-Chinese Company.

As regards the branch line from Siaoheichan to Sinminting, in addition to the aforesaid restrictions, it has been agreed that it is to be constructed by China herself, who may permit European—not necessarily British—engineers to periodically inspect it, and to verify and certify that the work is being properly executed.

The present special Agreement is naturally not to interfere in any way with the right of the Russian Government to support, if it thinks fit, applications of Russian subjects or establishments for concessions for railways, which, starting from the main Manchurian line in a south-westerly direction, would traverse the region in which the Chinese line terminating at Sinminting and Newchwang is to be constructed.

(Signed) CHARLES S. SCOTT.

St. Petersburg, April 28th, 1899.

No. 4

Count Mouravieff to Sir C. Scott

In order to complete the notes exchanged this day respecting the partition of spheres for concessions for the construction and working of railways in China, it has been agreed to record in the present additional note the Agreement arrived at with regard to the line Shanhaikuan-Newchwang, for the construction of which a loan has been already contracted by the Chinese Government with the Shanghai-Hongkong Bank, acting on behalf of the British and Chinese Corporation.

The general arrangement established by the above-mentioned notes is not to infringe in any way the rights acquired under the said Loan Contract, and the Chinese Government is at liberty to appoint both an English engineer and a European accountant to supervise the construction of the line in question and the expenditure of the money appropriated to it. But it remains well understood that this fact cannot be taken as constituting a right of property or foreign control, and that the line in question is to remain a Chinese line, subject to the control of the Chinese Government, and cannot be mortgaged or alienated to a non-Chinese Company.

As regards the branch line from Siaoheichan to Sinminting, in addition to the aforesaid restrictions, it has been agreed that it is to be constructed by China herself, who may permit European—not necessarily British—engineers to periodically inspect it, and to verify and certify that the works are being properly executed.

The present special Agreement is naturally not to interfere in any way with the right of the Russian Government to support, if it thinks fit, applications of Russian subjects or establishments for concessions for railways, which, starting from the main Manchurian line in a south-westerly direction, would traverse the region in which the Chinese line terminating at Sinminting and Newchwang is to be constructed.

The Undersigned, etc.

(Signed) Count MOURAVIEFF.

St. Petersburg, April 16 (28), 1899.

TREATY OF PEACE BETWEEN JAPAN & RUSSIA

SIGNED AT PORTSMOUTH, U.S.A., AUGUST 23RD, 1905

Ratified November 5th, 1905

His Majesty the Emperor of Japan on the one part, and His Majesty the Emperor of all the Russias on the other part, animated by the desire to restore the blessings of peace to Their countries and peoples, have resolved to conclude a Treaty of Peace, and have, for this purpose, named Their Plenipotentiaries, that is to say:—

His Majesty the Emperor of Japan—

His Excellency Baron Komura Jutaro, *Jusammi*, Grand Cordon of the Imperial Order of the Rising Sun, His Minister for Foreign Affairs, and

His Excellency M. Takahira Kogoro, *Jusammi*, Grand Cordon of the Imperial Order of the Sacred Treasure, His Envoy Extraordinary and Minister Plenipotentiary to the United States of America; and

His Majesty the Emperor of all the Russias—

His Excellency M. Serge Witte, His Secretary of State and President of the Committee of Ministers of the Empire of Russia, and

His Excellency Baron Roman Rosen, Master of the Imperial Court of Russia and His Ambassador Extraordinary and Plenipotentiary to the United States of America;

Who, after having exchanged their full powers, which were found to be in good and due form, have concluded the following Articles:—

Art. I.—There shall henceforth be peace and amity between Their Majesties the Emperor of Japan and the Emperor of all the Russias, and between their respective States and subjects.

Art. II.—The Imperial Russian Government, acknowledging that Japan possesses in Korea paramount political, military, and economical interests engage neither to obstruct nor interfere with the measures of guidance, protection, and control which the Imperial Government of Japan may find it necessary to take in Korea.

It is understood that Russian subjects in Korea shall be treated exactly in the same manner as the subjects or citizens of other foreign Powers, that is to say, they shall be placed on the same footing as the subjects or citizens of the most favoured nation.

It is also agreed that, in order to avoid all cause of misunderstanding, the two High Contracting Parties will abstain, on the Russo-Korean frontier,

from taking any military measure which may menace the security of Russian or Korean territory.

Art. III.—Japan and Russia mutually engage—

(1) To evacuate completely and simultaneously Manchuria except the territory affected by the lease of the Liaotung Peninsula, in conformity with the provisions of additional Article I. annexed to this Treaty; and

(2) To restore entirely and completely to the exclusive administration of China all portions of Manchuria now in the occupation or under the control of the Japanese or Russian troops, with the exception of the territory above mentioned.

The Imperial Government of Russia declare that they have not in Manchuria any territorial advantages or preferential or exclusive concesssions in impairment of Chinese sovereignty or inconsistent with the principle of equal opportunity.

Art. IV.—Japan and Russia reciprocally engage not to obstruct any general measures common to all countries, which China may take for the development of the commerce and industry of Manchuria.

Art. V.—The Imperial Russian Government transfer and assign to the Imperial Government of Japan, with the consent of the Government of China, the lease of Port Arthur, Talien, and adjacent territory and territorial waters, and all rights, privileges, and concessions connected with or forming part of such lease, and they also transfer and assign to the Imperial Government of Japan all public works and properties in the territory affected by the above-mentioned lease.

The two High Contracting Parties mutually engage to obtain the consent of the Chinese Government mentioned in the foregoing stipulation.

The Imperial Government of Japan on their part undertake that the proprietary rights of Russian subjects in the territory above referred to shall be perfectly respected.

Art. VI.—The Imperial Russian Government engage to transfer and assign to the Imperial Government of Japan, without compensation and with the consent of the Chinese Government, the railway between Changchun (Kuan-cheng-tzu) and Port Arthur and all its branches together with all rights, privileges, and properties appertaining thereto in that region, as well as all coal mines in the said region belonging to or worked for the benefit of the railway.

The two High Contracting Parties mutually engage to obtain the consent of the Government of China mentioned in the foregoing stipulation.

Art. VII.—Japan and Russia engage to exploit their respective railways in Manchuria exclusively for commercial and industrial purposes and in no wise for strategic purposes.

It is understood that restriction does not apply to the railway in the territory affected by the lease of the Liaotung Peninsula.

Art. VIII.—The Imperial Governments of Japan and Russia, with a view to promote and facilitate intercourse and traffic, will as soon as possible conclude a separate convention for the regulation of their connecting railway services in Manchuria.

Art. IX.—The Imperial Russian Government cede to the Imperial Government of Japan in perpetuity and full sovereignty, the southern portion of the Island of Saghalien and all islands adjacent thereto, and all public works and properties thereon. The fiftieth degree of North latitude is adopted as the northern boundary of the ceded territory. Exact alignment of such territory shall be determined in accordance with the provisions of additional Article II. annexed to this Treaty.

Japan and Russia mutually agree not to construct in their respective possessions on the Island of Saghalien or the adjacent islands, any fortifications or other similar military works. They also respectively engage not to take any military measures which may impede the free navigation of the Straits of La Perouse and Tartary.

Art. X.—It is reserved to the Russian subjects, inhabitants of the territory ceded to Japan, to sell their real property and retire to their country: but, if they prefer to remain in the ceded territory, they will be maintained and protected in the full exercise of their industries and rights of property, on condition of submitting to Japanese laws and jurisdiction. Japan shall have full liberty to withdraw the right of residence in, or to deport from, such territory, any inhabitants who labour under political or administrative disability. She engages, however, that the proprietary rights of such inhabitants shall be fully respected.

Art. XI.—Russia engages to arrange with Japan for granting to Japanese subjects rights of fishery along the coasts of the Russian possessions in the Japan, Okhotsk, and Behring Seas.

It is agreed that the foregoing engagement shall not affect rights already belonging to Russian or foreign subjects in those regions.

Art. XII.—The Treaty of Commerce and Navigation between Japan and Russia having been annulled by the war, the Imperial Governments of Japan and Russia engage to adopt as the basis of their commercial relations, pending the conclusion of a new treaty of commerce and navigation on the basis of the Treaty which was in force previous to the present war, the system of reciprocal treatment on the footing of the most-favoured nation, in which are included import and export duties, Customs formalities, transit and tonnage dues, and the admission and treatment of the agents, subjects, and vessels of one country in the territories of the other.

Art. XIII.—As soon as possible after the present Treaty comes into force, all prisoners of war shall be reciprocally restored. The Imperial Governments of Japan and Russia shall each appoint a special Commissioner to take charge of prisoners. All prisoners in the hands of one Government shall be

delivered to and received by the Commissioner of the other Government or by his duly authorized representative, in such convenient numbers and at such convenient ports of the delivering State as such delivering State shall notify in advance to the Commissioner of the receiving State.

The Governments of Japan and Russia shall present to each other as soon as possible after the delivery of prisoners has been completed, a statement of the direct expenditures respectively incurred by them for the care and maintenance of prisoners from the date of capture or surrender up to the time of death or delivery. Russia engages to repay to Japan, as soon as possible after the exchange of the statements as above provided, the difference between the actual amount so expended by Japan and the actual amount similarly disbursed by Russia.

Art. XIV.—The present Treaty shall be ratified by Their Majesties, the Emperor of Japan and the Emperor of all the Russias. Such ratification shall, with as little delay as possible and in any case not later than fifty days from the date of the signature of the Treaty, be announced to the Imperial Governments of Japan and Russia respectively through the French Minister in Tokyo and the Ambassador of the United States in St. Petersburg, and from the date of the later of such announcements this Treaty shall in all its parts come into full force.

The formal exchange of the ratifications shall take place at Washington as soon as possible.

Art. XV.—The present Treaty shall be signed in duplicate in both the English and French languages. The texts are in absolute conformity, but in case of discrepancy in interpretation, the French text shall prevail.

In witness whereof the respective Plenipotentiaries have signed and affixed their seals to the present Treaty of Peace.

Done at Portsmouth (New Hampshire) this fifth day of the ninth month of the thirty-eighth year of Meiji, corresponding to the twenty-third day of August (fifth September N. S.) one thousand nine hundred and five.

SERGE WITTE.
ROSEN.
JUTARO KOMURA.
K. TAKAHIRA.

SUPPLEMENTARY AGREEMENT

In conformity with the provisions of Articles III. and IX. of the Treaty of Peace between Japan and Russia of this date, the undersigned Plenipotentiaries have concluded the following additional Articles :—

I. To Art. III.—The Imperial Governments of Japan and Russia mutually engage to commence the withdrawal of their military forces from the territory of Manchuria simultaneously and immediately after the Treaty of Peace comes into operation; and within a period of eighteen months from that date the armies of the two countries shall be completely withdrawn from Manchuria except from the leased territory of the Liaotung Peninsula.

The forces of the two countries occupying the front positions shall be first withdrawn.

The High Contracting Parties reserve to themselves the right to maintain guards to protect their respective railway lines in Manchuria. The number of such guards shall not exceed fifteen per kilomètre, and within that maximum number the Commanders of the Japanese and Russian armies shall, by common accord, fix the number of such guards to be employed, as small as possible, having in view the actual requirements.

The Commanders of the Japanese and Russian forces in Manchuria shall agree upon the details of the evacuation in conformity with the above principles, and shall take by common accord the measures necessary to carry out the evacuation as soon as possible and in any case not later than the period of eighteen months.

II. To Art. XI.—As soon as possible after the present Treaty comes into force, a Commission of Delimitation, composed of an equal number of members to be appointed respectively by the two High Contracting Parties, shall on the spot mark in a permanent manner the exact boundary between the Japanese and Russian possessions on the Island of Saghalien. The Commission shall be bound, so far as topographical considerations permit, to follow the fiftieth parallel of North latitude as the boundary line and in case any deflections from that line at any points are found to be necessary, compensation will be made by correlative deflections at other points. It shall also be the duty of the said Commission to prepare a list and description of the adjacent islands included in the cession, and finally the Commission shall prepare and sign maps showing the boundaries of the ceded territory. The work of the Commission shall be subject to the approval of the High Contracting Parties.

The foregoing additional Articles are to be considered as ratified with the ratification of the Treaty of Peace to which they are annexed.

Portsmouth, the 5th day, 9th month, 38th year of Meiji, corresponding to the 23rd August (5th September N. S.) 1905.

SERGE WITTE.
ROSEN.
JUTARO KOMURA.
K. TAKAHIRA.

THE ANTUNG-MUKDEN RAILWAY QUESTION COMMUNIQUÉ

(Issued by Japan on August 7th, 1909)

During the late war Japan built for military purposes a light railway between Antung and Mukden. The line was hastily and necessarily imperfectly constructed and was wholly unsuited and insufficient for ordinary commercial purposes. But when the South Manchurian line passed into the hands of the Imperial Government, the necessity for a connecting link between that line and the Korean system became apparent.

Accordingly, by Article 6 of the Arrangement complementary to the Treaty of Peking of 1905, it was agreed that Japan not only had the right to maintain the military line in question, but so to improve it as to make it fit for the convenience of commercial and industrial goods of all nations, or in other words, to convert the purely military line into a commercial railway.

The objections of China, on the one hand, to the fulfilment of the Treaty stipulations above-mentioned, on what must be regarded as frivolous and inconsequential grounds, and the necessity under which Japan labours, on the other, to carry out under all circumstances the contemplated improvements of the line in question, make it entirely proper for Japan, in taking independent action in the matter, to explain the situation which calls for such action.

The existing Antung-Mukden military railway has a total length of 188 miles and a gauge of 2 feet 6 inches. To avoid the construction of tunnels and bridges, for which there was no time, the line was given many wide détours and steep gradients and short and sharp curves. In consequence of these defects, there is naturally frequent danger of derailment. The hauling capacity of the engines is necessarily very small. Three or four small passenger and freight cars constitute a maximum train. And on some portions of the line where the grades are steep, trains have to be divided into two or more separate hauls. The speed capacity of the engines is also necessarily very low, and as travel on the line by night is impracticable, the transit between Antung and Mukden requires two full days.

It was in order to provide for the removal of these imperfections and to make the road not only available but efficient for the commercial requirements to which it was to be devoted after it has ceased to be necessary for military purposes that the improvement stipulation was inserted in the complementary arrangements of 1905.

By the opening of the Mukden-Antung-Fusan line another route will be established for inter-continental intercourse between Europe on the one hand and Japan and the Far East generally on the other. The new route will have the advantage of reducing the sea voyage to ten hours. But in order to make the route effective and useful it is necessary that it shall have the same gauge and efficiency as the Korean and South Manchurian railway system of which the route under consideration will be the connecting link. The improvements which are absolutely essential include the boring of tunnels; the building of bridges; the straightening and grading of the line and the changing of the gauge to standard gauge, used in the connecting Korean and South Manchurian systems. With these improvements, the distance will be shortened; the time of transit between Antung and Mukden reduced from two full days to eight or nine hours, and the general efficiency of the line will be established. Without them the railway will remain as at present, entirely useless for commercial purposes.

Accordingly, private negotiations were at the outset carried on with China with a view to make the Antung-Mukden Railway available, as speedily as possible, as a connecting link between the Korean and South Manchurian systems in the great inter-continental trunk-line. But this method of procedure having proved abortive, the Imperial Government in January last officially proposed to China that commissioners be despatched to survey the line. This proposal having been agreed to, the Japanese and Chinese Commissioners made and agreed upon a joint survey of the proposed route with the exception of a small section of some 29 miles in length between Mukden and Chen-hsiang-tun. This work was completed early in April, and steps were immediately taken to report the result to the Chinese Government.

As the route between Mukden and Chen-hsiang-tun remained to be discussed between the two Governments, the Imperial Government, in order to prevent unnecessary delay, proposed to commence work on that portion of the line east of Chen-hsiang-tun which had been duly surveyed, leaving the Mukden-Chen-hsiang-tun section for subsequent examination and adjustment, and they announced their desire to begin the purchase of the land required for railway purposes.

But China having recourse to her well-known policy of obstruction and procrastination, evaded the just and reasonable demand of Japan, and raised collateral questions regarding the police authority in the railway zones and the withdrawal of railway guards. The Imperial Government, appealing to the principles of justice and reason, repeatedly urged China to accord to their demands.

Finally, on the 24th June last, China sent a reply which, if concurred in, would wholly nullify the provision of the agreement of 1905 on the subject of this Antung-Mukden line, and utterly destroy the value of the railway

Disregarding the survey agreed to by the commissioners of the two Governments, that reply, besides reviving the question of police authority and railway guards, and raising other immaterial issues, which would appropriately lend themselves to separate and independent negotiations, declares that the work of improvement must be confined to the existing track and that no broadening of the gauge can be permitted.

The Imperial Government, reluctant to take measures tending to impair the good relations between the two countries, have up to this time limited their action to an endeavour to induce China to re-consider her untenable position, and to adopt a course consistent with the manifest intention of the parties to the engagement of 1905. Already more than a month has elapsed since the note of June 24th was received, and China still maintains an unyielding and unaccommodating attitude which gives no promise of anything but vain and unprofitable negotiations.

In this situation the Imperial Government are compelled to take action independent of the Chinese authorities, to proceed to carry out the necessary works of reconstruction and improvement, according to their treaty rights, and in harmony with the survey of the commissioners of the two Governments.

CHINA'S STATEMENT TO THE POWERS

The following is a full translation published by the *National Review* of Shanghai of the telegraphic dispatch forwarded by the Chinese Government to all Chinese Ministers abroad, as a result of the Note handed to the Wai-wu-pu by the Japanese Minister in Peking in reference to the Antung-Mukden Railway question:—

In the eleventh moon of the 31st year of Kuang Hsu (November, 1905) the Chinese and Japanese plenipotentiaries agreed upon the conversion of the Antung-Mukden Railway from a military into a commercial line, and they also agreed that the line should be built and repaired by the Japanese Government. It was stipulated in the Treaty that the right to redeem the railway at the end of fifteen years should remain with the Chinese Government, and it was also agreed that the work of reconstruction should be commenced within a period of two years. The construction and improvement of the line were to be carried out as a joint Chinese and Japanese enterprise, each Government appointing commissioners for the purpose, and hence China has every right to send her representatives to take part in the control and inspection of the operations. At the expiry of the time stipulated in the agreement, however, the Japanese Government gave no indication of any intention to resume negotiations in the matter, nor did the Japanese Government do so until the spring of this year. With a view to cementing the friendly relations between Japan and China the Chinese Government yielded to a request for a resumption of negotiations, and the Yuchuanpu accordingly sent officers to survey the line in company with officers appointed for that purpose by the Japanese Government. Subsequently the Viceroy of the Three Eastern Provinces (Manchuria) communicated with the Japanese Consul at Mukden, insisting upon holding to the original Arrangements for the building of the line, but the Consul further delayed matters by refusing China's request that Japan should not place military guards either on or adjacent to the line, but should leave the policing of the railway zone to China, through whose territory the line runs. This is the reason of the long delay. Negotiations were still proceeding when, quite unexpectedly, on the 21st of this moon (Friday, the 6th August), the Japanese Minister sent a communication to the Wai-wu-pu charging China with procrastination and declaring that Japan would forthwith commence the work without Chinese co-operation.

On receipt of this communication the Wai-wu-pu forwarded to the Japanese Minister in Peking a reply, the gist of which was that as the improvements were being made in the interests of trade and commerce no necessity existed for the extension of the railway zone, but China would not raise any objection if Japan wished to change the gauge and effect other improvements of an engineering character. The reply further emphasizes that in the event of the gauge being changed it must be made the same as that of the Peking-Mukden line, and that no other changes must be made than those entailed by the necessities of engineering. This stipulation has particular reference to the suggested possibilities of a general change of route. The reply also stated that no extension of military control or patrolling of railways in Manchuria would be permitted and that the Chinese Government would furnish police for guarding the line. It concluded by repudiating any responsibility for past delay.

We would point out to Your Excellencies that the Japanese Government resumed negotiations subsequent to the expiry of the time stipulated in the Treaty for the commencement of the work, but although this was the case, we, with a view to arriving at an amicable settlement of the differences existing between Japan and ourselves, did not refuse the request. Now, however, Japan, relying upon her superior strength, suddenly takes action regardless of the terms of the Treaty and seeks to lay the blame for the delay upon China.

We are sure that under the pretext of development of communications and commerce the Japanese Government desires to build this railway almost entirely for military purposes.

It will also be remembered that the Japanese, in spite of treaty obligations, have made many other encroachments upon the rights and liberties of China.

In view of the situation set up by the matters treated of in the foregoing, and particularly regarding the extension of Japanese military control in Manchuria, we have been compelled to lay particular emphasis on the question of military protection of the railway and the construction of the police force. If Japan had conceded these points this matter would have been settled long ago, and she would have been under no necessity to attempt to lay the blame for any delay at the door of China.

China still hopes for an amicable settlement within the terms of the Treaty, and in making this announcement to the Powers desires simply to set forth the facts in their true light, leaving the world to judge to whom the blame attaches.

The general question of the reconstruction of the Antung-Mukden Railway has now been settled. Viceroy Hai Liang and Consul-General Koike are discussing details in Mukden.

A rumour was lately current in Mukden to the effect that the Chinese had started a boycott against Japanese goods, but the report was due to the approaching end of the Chinese month and the fact that it is too soon yet to purchase winter goods. Two or three native papers in Mukden instigated an anti-Japanese boycott, but the Chinese Chamber of Commerce there was to hold, on the 18th, a reunion of prominent Japanese and Chinese residents.

SECOND JAPANESE COMMUNIQUÉ ON ANTUNG-MUKDEN RAILWAY QUESTION

In reference to the question of reconstruction of the Antung-Mukden Railway line, Mr. Ijuin, the Japanese Minister at Peking, on the 6th inst., as previously announced, notified the Chinese Government that the work of reconstructing the line would forthwith be undertaken. To this intimation the Chinese Government replied on the 7th inst. stating that China did not insist upon her objections regarding a change in the existing gauge or to the introduction of such rectifications of the line as were found to be technically necessary.

The reply also expressed a desire that the question of the rectification of the line might be submitted to Commissioners to be appointed by the two countries. Accordingly, Minister Ijuin on the 10th inst., in pursuance of instructions from the Imperial Government, addressed a Note to the Chinese Government, pointing out that the proposed change in the location of the line was not only confined to what was absolutely necessary from technical considerations, but that it was in fact based upon the result of the joint survey already made by the Commissioners of both Governments.

The Note added that in these circumstances there could be no necessity for despatching a joint Commission for the purpose of repeating the surveys which had already been completed and, consequently, that it was desirable that the Chinese Government, in view of the urgent necessity for the speedy reconstruction of the line, should at once approve of that portion of the line which had already been surveyed and agreed upon by the Commissioners of both Governments.

On the 13th inst. the Chinese Government replied and, from that reply, the Japanese Government were justified in assuming that China was fully prepared to recognize the immediate necessity of reconstructing the Antung-Mukden line, and that she desired to render all necessary co-operation in carrying out the undertaking. The Imperial Government thereupon, in consideration of the friendly relations between Japan and China, instructed Consul-General Koike at Mukden to sign a memorandum with Viceroy Hsi and Governor Cheng and accordingly, a memorandum to the following effect was signed on August 27th :—

1. The same gauge as that of the Peking-Mukden Railway shall be adopted.

2. Both Japan and China shall recognize and approve, on the whole, the line as already surveyed and agreed to by the Commissioners of the two Governments, but the location of that portion of the line from Chen-hsiang-tun to Mukden shall remain to be decided by mutual conference between the two countries.

3. On and from the date when the memorandum is signed, negotiations for the purchase of land and for the adjustment of all other details shall be instituted.

3. From the day following the signing of the memorandum, that is, from the day after the negotiations above mentioned, are instituted, the work of reconstruction shall be accelerated.

5. China shall instruct the local officials along the line to give every facility regarding the execution of the work.

THE SINO-JAPANESE AGREEMENT

(Concluded on September 4th, 1909.)

The Imperial Government of Japan and the Imperial Government of China, desiring to secure for Chinese and Korean inhabitants in the frontier regions the blessings of permanent peace and tranquillity, and considering it essential in the attainment of such desire that the two Governments should in view of their relations of cordial friendship and good neighbourhood recognize the River Tumen as forming the boundary between China and Korea, and should adjust all matters relating thereto in a spirit of mutual accommodation, have agreed upon the following stipulations:—

Article I.—The Governments of Japan and China declare that the River Tumen is recognized as forming the boundary between China and Korea, and that in the region of the source of that River the boundary line shall start from the Boundary Monument and thence follow the course of the stream Shihyishwei.

Article II.—The Government of China shall, as soon as possible after the signing of the present Agreement, open the following places to the residence and trade of foreigners, and the Government of Japan may there establish Consulates or Branch Offices of Consulates. The date of the opening of such places shall be separately determined:—

Lungchingtsun.	Chutszchio.
Toutaokou.	Paitsaokou.

Article III.—The Government of China recognizes the residence of Korean subjects, as heretofore, on agricultural lands lying north of the River Tumen. The limits of the district for such residence are shown in the annexed map.

Article IV.—The Korean subjects residing on agricultural lands within the mixed residence district to the north of the river Tumen shall submit to the laws of China and shall be amenable to the jurisdiction of the Chinese local officials. Such Korean subjects shall be accorded by the Chinese authorities equal treatment with Chinese subjects, and similarly, in the matter of taxation and all other administrative measures, they shall be placed on equal footing with Chinese subjects. All cases, whether civil or criminal, relating to such Korean subjects shall be heard and decided by the Chinese authorities in accordance with the laws of China, and in a just and

equitable manner. A Japanese Consular Officer or an official duly authorized by him shall be allowed freely to attend the Court, and in the hearing of important cases concerning the lives of persons previous notice is to be given to the Japanese Consular Officers. Whenever the Japanese Consular Officers find that a decision has been given in disregard of law they shall have the right to apply to the Chinese authorities for a new trial to be conducted by officials specially selected in order to assure justice of the decision.

Article V.—The Government of China engages that land and buildings owned by Korean subjects in the mixed residence district to the north of the River Tumen shall be fully protected equally with the properties of Chinese subjects. Ferries shall be established on the River Tumen at places properly chosen, and people on either side of the River shall be entirely at liberty to cross to the other side, it being, however, understood that persons carrying arms shall not be permitted to cross the frontier without previous official notice or passports. In respect of cereals produced in the mixed residence district Korean subjects shall be permitted to export them out of the said district except in time of scarcity, in which case such exportation may be prohibited. Collection of firewood and grass shall be dealt with in accordance with the practice hitherto followed.

Article VI.—The Government of China shall undertake to extend the Kirin-Changchun Railway to the southern boundary of Yenchi, and to connect it at Hoiryong with a Korean railway, and such extension shall be effected upon the same terms as the Kirin-Changchun Railway. The date of commencing the work of the proposed extension shall be determined by the Government of China considering the actual requirements of the situation, and upon consultation with the Government of Japan.

Article VII.—The present Agreement shall come into operation immediately upon its signature, and thereafter the Chientao Branch Office of the Residency-General, as well as all civil and military officers attached thereto, shall be withdrawn, as soon as possible, and within two months. The Government of Japan will within two months hereafter establish its Consulates at the places mentioned in Article II.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed and sealed the present Agreement in duplicate, in the Japanese and Chinese language.

The 4th day of the 9th month of the 42nd year of Meiji; the 20th day of the 7th month of the 1st year of Hsiian Tung.

(Signed) HIKOKICHI IJUIN.
(") LIANG TUN YEN.

The Imperial Government of Japan and the Imperial Government of China, actuated by the desire to consolidate the relations of amity and good

neighbourhood between the two countries by settling definitively the matters of common concern in Manchuria and by removing for the future all cause of misunderstanding, have agreed upon the following stipulations:—

Article I.—The Government of China engages that in the event of its undertaking to construct a railway between Hsinmintun and Fakumen, it shall arrange previously with the Government of Japan.

Article II.—The Government of China recognizes that the railway between Tashihchiao and Yinkow is a branch line of the South Manchurian Railway, and it is agreed that the said branch line shall be delivered up to China simultaneously with the South Manchurian Railway upon the expiration of the term of concession for that main line. The Chinese Government further agrees to the extension of the said branch line to the port of Yinkow.

Article III.—In regard to the coal mines at Fushun and Yuentai the Governments of Japan and China are agreed as follows:—

(a) The Chinese Government recognizes the right of the Japanese Government to work the said coal mines.

(b) The Japanese Government, respecting the full sovereignty of China, engage to pay to the Chinese Government tax upon coals produced in those mines. The rate of such tax shall be separately arranged upon the basis of the lowest tariff for coals produced in any other places of China.

(c) The Chinese Government agrees that in the matter of the exportation of coals produced in the said mines the lowest tariff of export duty for coals for any other mines shall be applied.

(d) The extent of the said coal mines as well as all the detailed regulations shall be separately arranged by commissioners specially appointed for that purpose.

Article IV.—All mines along the Antung-Mukden Railway and the main line of the South Manchurian Railway, excepting those at Fushun and Yuentai, shall be exploited as joint enterprises of Japanese and Chinese subjects upon the general principles which the Viceroy of the Three Eastern Provinces and the Governor of Mukden agreed upon with the Japanese Consul-General in the fortieth year of Meiji, corresponding to the thirty-third year of Kuangsu. Detailed regulations in respect of such mines shall in due course be arranged by the Viceroy and the Governor with the Japanese Consul-General.

Article V.—The Government of Japan declares that it has no objection to the extension of the Peking-Mukden Railway to the City Wall of Mukden. Practical measures for such extension shall be adjusted and determined by the local Japanese and Chinese authorities and technical experts.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed and sealed the present Agreement, in duplicate, in the Japanese and Chinese languages.

The 4th day of the 9th month of the 42nd year of Meiji; the 20th day of the 7th month of the 1st year of Hsiian Tung.

(Signed.) HIKOKICHI IJUIN.
(") LIANG TUN YEN.

RUSSO-JAPANESE CONVENTION

(Signed at St. Petersburg July 30th, 1907)
(Unofficial from the original French text)

CONVENTION.

The Government of His Majesty the Emperor of Japan and the Government of His Majesty the Emperor of All The Russias, desirous of consolidating the peaceful and friendly relations, which have been so happily re-established between Japan and Russia, and, wishing to avert for the future, all cause of misunderstanding in the relations of the two Empires, have agreed on the following conditions:—

Article I.

Each of the High Contracting Parties pledges itself to respect the present territorial integrity of the other and all the rights accruing to either party from the treaties, conventions, and contracts in force between them and China, copies of which have been exchanged between the Contracting Parties (in so far as these rights are not incompatible with the principle of equal opportunity) and from the Treaty signed at Portsmouth on September 5th (23rd August, Old Style), 1905, as well as the special conventions concluded between Japan and Russia.

Article II.

The two High Contracting Parties recognize the independence and territorial integrity of the Empire of China and the principle of equal opportunity in that which concerns the commerce and industry of all the nations in that Empire, and pledge themselves to sustain and defend the maintenance of the *status quo* and respect for this principle by all pacific means in their power.

In witness whereof, the undersigned, being authorized by their respective Governments, have signed this convention and have affixed thereto their seals.

Done at St. Petersburg, the 30th day of the seventh month, of the 40th year of Meiji, corresponding to the 17th (30th) July, 1907.

(L.S.) I. MOTONO.
(L.S.) ISWOLSKY.

THE SINO-JAPANESE PEKING TREATY

(Signed December 22nd, 1905.)

The Portsmouth Treaty made it necessary for Japan to arrive at a definite and formal convention with China concerning the decisions made by the Japanese and Russian Peace Plenipotentiaries at Portsmouth. The text of the convention is as follows:—

"Art. I.—The Imperial Chinese Government consent to the transfers and assignment made by Russia to Japan by the Articles V. and VI. of the Treaty of Peace above mentioned. (Portsmouth Conference.)

Art. II.—The Imperial Japanese Government engages that in regard to the leased territory as well as in the matter of railway construction and exploitation, they will, so far as circumstances permit, conform to the original agreements concluded between China and Russia.

In case any question arises in the future on these subjects, the Japanese Government will decide it in consultation with the Chinese Government.

Art. III.—The present Treaty shall come into full force from the date of signature.

It shall be ratified by their Majesties the Emperor of Japan and the Emperor of China and the ratifications shall be exchanged at Peking as soon as possible, and not later than two months from the present date."

The following is the additional agreement:—

"Art. I.—The Imperial Chinese Government agree that as soon as possible after the evacuation of Manchuria by the Japanese and Russian forces, the following cities and towns in Manchuria will be opened by China herself as places of international residence and trade:

In the Province of Shingking:

Fenghwangcheng; Liaoyang; Hsinmintun; Tiehling; Tungkiangtzu and Fakumen.

In the Province of Kirin:

Changchun (Kuanchengtzu); Kirin; Ninguta; Hunchun and Sanhsing.

In the Province of Heilungkiang:

Tsitsihar; Hailar; Aihun and Manchuli.

Art. II.—In view of the earnest desire expressed by the Imperial Chinese Government to have the Japanese and Russian troops and railway guards in Manchuria withdrawn as soon possible, and in order to meet this desire, the Imperial Japanese Government, in the event of Russia agreeing to the

withdrawal of her railway guards, or in case other proper measures are agreed to between China and Russia, consent to take similar steps accordingly. When tranquillity shall have been re-established in Manchuria and China shall have become herself capable of affording full protection to the lives and property of foreigners, Japan will withdraw her railway guards simultaneously with Russia.

Art. III.—The Imperial Japanese Government, immediately upon the withdrawal of their troops from any regions in Manchuria, shall notify the Imperial Chinese Government of the regions thus evacuated, and even within the period stipulated for the withdrawal of troops in the Additional Articles of the Treaty of Peace between Japan and Russia, the Chinese Government may send necessary troops to the evacuated regions of which they have been already notified as above mentioned, for the purpose of maintaining order and tranquillity in those regions. If, in the regions from which Japanese troops have not yet been withdrawn, any villages are disturbed or damaged by native bandits, the Chinese local authorities may also dispatch a suitable military force for the purpose of capturing or dispersing those bandits. Such troops, however, shall not proceed within twenty Chinese *li* from the boundary of the territory where Japanese troops are stationed.

Art. IV.—The Imperial Government of Japan engage that Chinese public and private property in Manchuria, which they have occupied or expropriated on account of military necessity, shall be restored at the time the Japanese troops are withdrawn from Manchuria and that such property as is no longer required for military purposes shall be restored even before such withdrawal.

Art. V.—The Imperial Chinese Government engage to take all necessary measures to protect fully and completely the grounds in Manchuria in which the tombs and monuments of the Japanese officers and soldiers who were killed in war are located.

Art. VI.—The Imperial Chinese Government agree that Japan has the right to maintain and work the military railway line constructed between Antung and Mukden and to improve the said line so as to make it fit for the conveyance of commercial and industrial goods of all nations. The term for which such right is conceded is fifteen years from the date of the completion of the improvements above provided. The work of such improvements is to be completed within two years, exclusive of a period of twelve months during which it will have to be delayed owing to the necessity of using the existing line for the withdrawal of troops. The term of the concession above mentioned is therefore to expire in the 48th year of Kuang Hsu. At the expiration of that term, the said railway shall be sold to China at a price to be determined by appraisement of all

its properties by a foreign expert who will be selected by both parties. The conveyance by railway of the troops and munitions of war of the Chinese Government prior to such sale shall be dealt with in accordance with the regulations of the Chinese Eastern Railway. Regarding the manner in which the improvements of the railway are to be effected, it is agreed that the person undertaking the work on behalf of Japan shall consult with the Commissioner dispatched for the purpose by China. The Chinese Government will also appoint a Commissioner to look after the business relating to the railway as is provided in the Agreement relating to the Eastern Chinese Railway. It is further agreed that detailed regulations shall be concluded regarding the tariffs for the carriage by the railway of the public and private goods of China.

Art. VII.—The Governments of Japan and China, with a view to promote and facilitate intercourse and traffic, will conclude, as soon as possible, a separate convention for the regulation of connecting services between the railway lines in South Manchuria and all the other railway lines in China.

Art. VIII.—The Imperial Chinese Government engage that all materials required for the railways in South Manchuria shall be exempt from all duties, taxes and likin.

Art. IX.—The methods of laying out the Japanese Settlement at Yingkou in the Province of Shinking, which has already been opened to trade, and at Antung and Mukden in the same Province, which are still unopen although stipulated to be opened, shall be separately arranged and determined by officials of Japan and China.

Art. X.—The Imperial Chinese Government agree that a joint-stock company of forestry composed of Japanese and Chinese capitalists shall be organized for the exploitation of the forests in the regions on the right bank of the River Yalu and that a detailed agreement shall be concluded in which the area and term of the concession as well as the regulations concerning the joint work of exploitation shall be provided for. The Japanese and Chinese shareholders shall share equally in the profits of the undertaking.

Art. XI.—The Governments of Japan and China engage that in all that relates to frontier trade between Manchuria and Korea most favoured nation treatment shall be reciprocally extended.

Art. XII.—The Government of Japan and China engage that in all matters dealt with in the Treaty signed this day or in the present Agreement the most favourable treatment shall be reciprocally extended.

(Article VI. of the above Treaty should be read in conjunction with the American official translation cited in Chapter XVI. The text published here is the Japanese official translation.)

SKETCH MAP OF THE FAR EAST

Showing Existing and Projected Railways in East Siberia, North China, Manchuria, Mongolia, Korea, and Japan.

MAP
OF
SOUTHMANCHURIA
RAILWAY
AND ITS
CONNECTION.
CHINESE EASTERN RAILWAY
IMPERIAL RAILWAY OF NORTH CHINA
KIRIN-CHANGCHUN RAILWAY
KAIYUAN-HUNCHUN RAILWAY
KAIYUAN-TAONAN RAILWAY
KAIYUAN-KIRIN RAILWAY
KIRIN-HUEIFA RAILWAY
KIRIN-TUNHUA RAILWAY
KAIYUAN-HEILUNGCHENG RAILWAY
KIRIN-KUANCHENGTZU RAILWAY
KIRIN-CHANGCHUN RAILWAY
KIRIN-MUKDEN RAILWAY
KIRIN-KAIYUAN RAILWAY
KIRIN-HUNCHUN RAILWAY
KIRIN-TUNHUA RAILWAY
KIRIN-HUEIFA

SKETCH MAP OF KOREA, NORTH & SOUTH MANCHURIA

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ERRATA AND ADDENDA

Page 249, line 8; page 250, line 7; page 255, line 3; page 256, line 28; page 257, line 1—for "Hungchuling" read "Kungchuling."

The salaries of Japanese judges are not correctly stated on page 453, the figures therein given being applicable to conditions which prevailed several years ago. The following is a revised statement:—

Supreme Court of Japan

Presiding Judge	Yen 6,000	per annum
Procurator-General	" 5,000	"

Tokyo Appeal Court

Presiding Judge	Yen 5,000	per annum
Head Procurator	" 4,200	"

Yokohama District Court

Presiding Judge	Yen 3,000	per annum
Head Procurator	" 2,500	"

Yokohama Local Court

Presiding Judge	Yen 2,000	per annum
Head Procurator	" 1,700	"

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